SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 12, 2002

PRUDENTIAL FINANCIAL, INC.
(Exact name of registrant as specified in its charter)

New Jersey	001-16707	22-3703799
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

751 Broad Street
Newark, New Jersey 07102
(Address of principal executive offices and zip code)

(973) 802-6000
(Registrant's telephone number, including area code)

Item 5. Other Information.

On February 12, 2002, Prudential Financial, Inc., a New Jersey Corporation, issued a press release announcing fourth quarter 2001 results, a copy of which is attached hereto as Exhibit 99.0 and is incorporated herein by reference.

Item 9. Regulation FD Disclosure.

Prudential Financial, Inc. furnishes herewith, as Exhibit 99.1, the Quarterly Financial Supplement for its Financial Services Businesses for the quarterly period ended December 31, 2001.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: February 12, 2002   Prudential Financial, Inc.

By: /s/

Name: Anthony S. Piszel
Title: Controller (Principal Accounting Officer)

Exhibit Index

Exhibit No.	Description

99.0	Press Release of Prudential Financial, Inc., dated February 12, 2002.
99.1	Quarterly Financial Supplement for the Financial Services Businesses of Prudential Financial, Inc. for the Quarterly Period ended December 31, 2001.

Exhibit 99.0

For Immediate Release
February 12, 2002
After 4 p.m.

Contact: Bob DeFillippo
(973) 802-4149

PRUDENTIAL FINANCIAL, INC. ANNOUNCES FOURTH QUARTER 2001 RESULTS

Newark, NJ -- Prudential Financial, Inc. (NYSE:PRU) today reported fourth quarter 2001 after-tax adjusted operating income for its Financial Services Businesses of $105 million, compared to $41 million for the fourth quarter of 2000. On an equivalent share basis, which assumes that shares issued in the company's demutualization on December 18, 2001 and its initial public offering of Common Stock were outstanding for all periods, adjusted operating income was 18 cents per Common share for the fourth quarter of 2001 compared to 7 cents in the fourth quarter of 2000.

For the year ended December 31, 2001, after-tax adjusted operating income for the Financial Services Businesses amounted to $764 million ($1.31 per equivalent Common share), compared to $1.116 billion ($1.91 per equivalent Common share) for the year ended December 31, 2000.

"Prudential's results reflect a growing contribution from our International division, including Gibraltar Life, which we acquired last April, while difficult market conditions have had an adverse affect on our operations in the U.S.," said Chairman and CEO Arthur F. Ryan. "In addition, fourth quarter results included costs to implement our expense reduction strategies in several operating units. These costs are now substantially behind us, and we are well positioned to benefit from a more favorable cost structure in 2002. We expect expense cuts and continued growth in International Insurance earnings will provide impetus to improved financial performance this year. Assuming a modest recovery in equity market conditions, including appreciation of 8 percent in the S&P 500 index, we expect that Prudential will achieve Common Stock earnings per share in the range of $2.10 to $2.30 for the year 2002, based on after-tax adjusted operating income," Ryan said. This expectation is subject to change if actual equity market conditions differ from this assumption and as discussed under "Forward Looking Statements" below.

Adjusted operating income excludes net realized investment gains, net of losses and related charges, results from divested businesses, demutualization costs and expenses, and the mutual insurance company tax. Net income of the Financial Services Businesses, which includes the foregoing items, amounted to a loss of $403 million for the fourth quarter of 2001 compared to a loss of $331 million for the year-ago period. On an equivalent share basis, the net loss per Common share was 69 cents in the fourth quarter of 2001 compared to a net loss of 57 cents per Common share in the year-ago

period. Net income of the Financial Services Businesses was $302 million (52 cents per equivalent Common share) for the year ended December 31, 2001, compared to net income of $311 million (53 cents per equivalent Common share) for the year 2000.

On a consolidated basis, which includes the results of both the Financial Services Businesses and the Closed Block Business, Prudential Financial, Inc. reported net losses of $506 million for the fourth quarter of 2001 and $268 million for the year-ago quarter, and reported a net loss of $154 million for the year ended December 31, 2001, versus net income of $398 million for the year 2000.

In the following business-level discussion, adjusted operating income refers to pre-tax results.

Financial Services Businesses
- -----------------------------

U.S Consumer division reported a $13 million pre-tax loss, on an adjusted operating income basis, for the fourth quarter of 2001 compared to a $62 million loss for the year-ago quarter. Our Individual Life Insurance segment reported adjusted operating income of $31 million for the fourth quarter of 2001, compared to a loss of $31 million in the year-ago quarter, as we began to realize savings from our field management and agency restructuring program. Our Private Client Group segment reported a loss, on an adjusted operating income basis, of $79 million for the current quarter compared to a $41 million loss in the year-ago quarter, as our domestic securities brokerage operations continued to be negatively affected by a decline in individual investor transaction volume. Adjusted operating income of our Retail Investments segment was $38 million in the fourth quarter of 2001 compared to $25 million in the fourth quarter of 2000. Our Property and Casualty Insurance segment reported losses of $3 million in the fourth quarter of 2001 and $15 million in the year-ago quarter. During the current quarter, the division's adjusted operating income reflected charges for implementation costs of our expense reduction program amounting to $78 million in the Individual Life Insurance segment and $21 million in the Private Client Group segment. During the year-ago quarter, the division's adjusted operating income reflected implementation costs of our expense reduction program amounting to $48 million in the Individual Life Insurance segment.

Also during the current quarter, our Property and Casualty Insurance segment realized $39 million in prior year reserve releases. During the year-ago quarter, that segment realized $35 million in prior year reserve releases as well as a $31 million stop-loss reinsurance recovery, and incurred a $40 million charge to provide for refunds or credits to certain New Jersey automobile policyholders.

International division pre-tax adjusted operating income for the fourth quarter of 2001 increased $65 million, to $125 million from $60 million in the year-ago quarter. The International Insurance segment reported $172 million of adjusted operating income for the quarter, representing an $87 million increase over the year-ago quarter, including a $77 million contribution from Gibraltar Life, which we acquired in April 2001. Gibraltar

Life's results for the fourth quarter included a modest negative impact from an increase in our estimate of the reserve for incurred but unreported death claims. Adjusted operating income from our international insurance operations other than Gibraltar reflected strong performances in Japan and Korea, partly offset by the negative impact of currency fluctuations. The International Securities and Investments segment reported a loss of $47 million in the current quarter, compared to a loss of $25 million in the year-ago fourth quarter, as our international securities operations continued to be negatively affected by a reduced level of investor activity.

During the current quarter, our international securities brokerage operations incurred $24 million of expenses relating to staff reductions and facilities consolidations, while the year-ago fourth quarter reflected about $9 million of such costs.

Employee Benefits division pre-tax adjusted operating income amounted to $24 million in the fourth quarter of 2001, a decrease of $52 million from $76 million in the year-ago quarter. The decrease reflects less favorable mortality results and increased expenses, including consulting costs, in the Group Insurance segment, which reported adjusted operating income of $21 million in the fourth quarter of 2001 and $68 million in the year-ago fourth quarter. Results in our Other Employee Benefits segment declined $5 million, to $3 million from $8 million in the year-ago quarter. Lower investment income margins during the current quarter were largely offset by the net effect in the year-ago quarter of two unusual items. These included a $56 million charge to increase our reserves for structured settlement products due to portfolio restructuring and a $28 million benefit primarily from refinements in our annuity reserves.

Asset Management division pre-tax adjusted operating income increased $24 million, to $64 million in the fourth quarter of 2001 from $40 million in the year-ago quarter. These results included $20 million that Prudential Securities earned as co-manager in the initial public offering of our Common Stock during the fourth quarter of 2001, which is offset by a corresponding charge in our Corporate and Other results. Assets managed by the Asset Management division were $299 billion at December 31, 2001, a decrease of $13 billion from a year earlier. The decrease was driven primarily by declines in market value of publicly traded equity securities managed by our Jennison unit.

Corporate and Other operations resulted in pre-tax losses, on an adjusted operating income basis, of $27 million in the fourth quarter of 2001 and $81 million in the year-ago quarter. The $54 million decrease in the loss came primarily from $31 million greater income from our own qualified pension plan in the current quarter and from greater investment income including the transfer of assets to the Financial Services Businesses in connection with the formation of the Closed Block Business in mid-December.

Assets under management and administration amounted to $590 billion at December 31, 2001, including approximately $30 billion relating to Gibraltar Life, compared to $593 billion a year earlier.

Net Income of the Financial Services Businesses in the current quarter included demutualization costs and expenses of $389 million, primarily from a charge of $340 million for demutualization consideration to former Canadian branch policyholders, and $132 million realized investment losses, net of related charges. The realized losses in the current quarter included $196 million of losses on the disposal of substantially all of our Enron holdings, consistent with our previously disclosed expectations of fourth quarter net income. Our total credit-related losses in the fourth quarter, including the Enron sales and all other impairments, amounted to $266 million within the Financial Services Businesses. Net income in the year-ago quarter included pre-tax losses from divested businesses of $567 million and realized investment losses, net of related charges, of $199 million.

Closed Block Business
- ---------------------

The Closed Block Business, which represents results of our Traditional Participating Products segment prior to the demutualization, includes our in-force participating life insurance and annuity policies, and assets that will be used for the payment of benefits and policyholder dividends on these policies, as well as other assets and equity that support these policies. We have ceased offering these participating policies.

Fourth quarter 2001 after-tax adjusted operating income was $89 million, a decrease of $74 million from the year-ago fourth quarter, primarily due to a decline in investment income which was partially offset by more favorable mortality experience in the current quarter. Adjusted operating income excludes net realized investment gains, net of losses and related charges, and the mutual insurance company tax. Including the foregoing items, the Closed Block Business reported a net loss of $103 million for the fourth quarter of 2001 compared to net income of $63 million for the fourth quarter of 2000.

For the year ended December 31, 2001, after-tax adjusted operating income for the Closed Block Business amounted to $264 million, compared to $355 million for the year ended December 31, 2001. The Closed Block Business reported a net loss of $456 million for the year ended December 31, 2001, compared to net income of $87 million for the year 2000.

Editor's Note
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Prudential's Common Stock (NYSE: PRU) reflects the performance of its Financial Services Businesses, which consist of its U.S. Consumer, Employee Benefits, International and Asset Management divisions and its Corporate and Other operations.

Prudential's Class B Stock, which is not traded on any exchange, reflects the performance of its Closed Block Business, which consists of its traditional participating insurance and annuity products and the assets and equity that support these products.

There is no legal separation of the two Businesses, and holders of the Common Stock and the Class B stock are both common stockholders of Prudential Financial, Inc.

Forward Looking Statements

Certain of the statements included in this release, including (but not limited to) those in the third paragraph hereof, constitute forward-looking statements within the meaning of the U. S. Private Securities Litigation Reform Act of 1995. Words such as "expects," "believes," "anticipates," "intends," "plans," "assumes," "estimates," "projects," or variations of such words are generally part of forward-looking statements. Forward-looking statements are made based on management's current expectations and beliefs concerning future developments and their potential effects upon Prudential Financial, Inc.

and its subsidiaries. There can be no assurance that future developments affecting Prudential Financial, Inc. and its subsidiaries will be those anticipated by management. These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties, and there are certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements, including without limitation: general economic, market and political conditions, including the performance of financial markets, interest rate fluctuations and the continuing impact of the events of September 11th; volatility in the securities markets; reestimates of our reserves for future policy benefits and claims; our exposure to contingent liabilities; catastrophe losses; investment losses and defaults; changes in our claims-paying or credit ratings; competition in our product lines and for personnel; fluctuations in foreign currency exchange rates and foreign securities markets; risks to our international operations; the impact of changing regulation or adverse litigation results; and changes in tax law. Prudential Financial, Inc. does not intend, and is under no obligation to, update any particular forward-looking statement included in this document. The information referred to above, as well as the risks of our businesses described in our Prospectus, dated December 12, 2001, filed under Rule 424 under the Securities Act of 1933 in connection with our initial public offering, should be considered by readers when reviewing forward-looking statements contained in this release.

Earnings Conference Call

Members of Prudential's senior management will host a conference call on Wednesday, February 13, 2002, at 10 a.m. ET, to discuss with the investment community the company's fourth quarter and year end results. The conference call will be broadcast live over the company's Investor Relations Web site at: http://www.investor.prudential.com. Please log on fifteen minutes early in the event necessary software needs to be downloaded. The call will remain on the Investor Relations Web site for replay beginning at 2 p.m. on February 13. The conference call can also be heard on the telephone. To listen to the conference call, dial 888-276-9996 (domestic callers) or 651-224-7472 (international callers). To listen to a replay of the conference call from 5 p.m. on February 13 through 11:59 pm on February 20, dial 800-475-6701 (domestic callers) or 320-365-3844 (international callers). The access code for the replay is 623617.

Prudential Financial companies serve individual and institutional customers worldwide and include The Prudential Insurance Company of America, one of the largest life insurance companies in the U.S. These companies offer a variety of products and services, including life insurance, property and casualty insurance, mutual funds, annuities, pension and retirement related services and administration, asset management, securities brokerage, banking and trust services, real estate brokerage franchises and relocation services. For more information, visit www.prudential.com.

-Prudential-

Exhibit 99.0

Financial Highlights
(in millions, except per share data)

	Three Months Ended December 31		Year Ended December 31	
	2001	2000	2001	2000
Consolidated Income Statement Data:				
Total revenues	6,906	6,625	27,177	26,504
Total benefits and expenses	7,515	7,243	27,404	25,777
Income (loss) from continuing operations before income taxes	(609)	(618)	(227)	727
Income taxes	(87)	(273)	(57)	406
Income (loss) from continuing operations	(522)	(345)	(170)	321
Income from discontinued operations, net of taxes	16	77	16	77
Consolidated net income (loss)	(506)	(268)	(154)	398
Net income (loss):				
Financial Services Businesses	$ (403)	$ (331)	$ 302	$ 311
Closed Block Business (1)	(103)	63	(456)	87
Consolidated net income (loss)	$ (506)	$ (268)	$ (154)	

				$ 398
	========	========	========	========
Financial Services Businesses (FSB) Income Statement Data:				
Adjusted Operating Income (2):				
Revenues:				
Premiums	$ 2,361	$ 1,498	$ 8,227	$ 5,826
Policy charges and fee income	454	447	1,803	1,639
Net investment income	1,302	1,316	5,239	5,224
Commissions, investment management fees, and other income	1,092	1,197	4,356	5,196
	--------	--------	--------	--------
Total revenues	5,209	4,458	19,625	17,885
	--------	--------	--------	--------
Benefits and expenses:				
Insurance and annuity benefits	2,296	1,658	8,259	6,103
Interest credited to policyholders' account balances	434	393	1,670	1,618
Interest expense	48	118	326	448
Other expenses	2,258	2,256	8,107	7,995
	--------	--------	--------	--------
Total benefits and expenses	5,036	4,425	18,362	16,164
	--------	--------	--------	--------
FSB adjusted operating income before income taxes	173	33	1,263	1,721
Income taxes (3)	68	(8)	499	605
	--------	--------	--------	--------
FSB after-tax adjusted operating income	105	41	764	1,116
	--------	--------	--------	--------
Items excluded from FSB adjusted operating income:				
Realized investment gains (losses), net of related charges	(132)	(199)	(136)	(408)
Divested businesses	(25)	(567)	(147)	(636)
Demutualization costs and expenses (4)	(389)	(30)	(588)	(143)
	--------	--------	--------	--------
Total items excluded from FSB adjusted operating income before income taxes	(546)	(796)	(871)	(1,187)
Income taxes, including mutual insurance company tax	(22)	(347)	(393)	(305)
	--------	--------	--------	--------
Total items excluded from FSB adjusted operating income, after income taxes	(524)	(449)	(478)	(882)
	--------	--------	--------	--------
FSB income (loss) from continuing operations (after tax)	(419)	(408)	286	234
Income from discontinued operations, net of taxes	16	77	16	77
	--------	--------	--------	--------
Financial Services Businesses net income	$ (403)	$ (331)	$ 302	$ 311
	========	========	========	========
Per share of Common Stock, equivalent share basis - diluted (5):				
Income (loss) from continuing operations	$ (.72)	$ (.70)	$ .49	$ .40
Net income (loss)	(.69)	(.57)	.52	.53
FSB after-tax adjusted operating income	.18	.07	1.31	1.91

Diluted shares (equivalent share basis) (6)	583.7	583.6	583.6	583.6

Financial Services Businesses Attributed Equity (as of end of period) (5):

Total attributed equity	$ 19,646
Per share of Common Stock - diluted	33.59
Attributed equity excluding unrealized gains and losses on investments	$ 18,803
Per share of Common Stock - diluted	32.15
Number of diluted shares at end of period	584.8

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See footnotes on page 4.

Financial Services Businesses Division Highlights
(in millions)

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	Three Months Ended December 31		Year Ended December 31	
	2001	2000	2001	2000
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Adjusted operating income before income taxes, by Division (2):				
U.S. Consumer Division	$ (13)	$ (62)	$ 310	$ 740
Employee Benefits Division	24	76	183	387
International Division (7)	125	60	523	322
Asset Management Division	64	40	219	276
Corporate and Other	(27)	(81)	28	(4)
Total FSB adjusted operating income before income taxes	$ 173	$ 33	$ 1,263	$ 1,721
Revenues, by Division (2):				
U.S. Consumer Division	$ 1,925	$ 1,930	$ 7,644	$ 8,026
Employee Benefits Division	1,481	1,470	5,912	5,686
International Division (7)	1,421	671	4,694	2,624
Asset Management Division	341	339	1,272	1,344
Corporate and Other	41	48	103	205
Total	$ 5,209	$ 4,458	$ 19,625	$ 17,885
U.S. Consumer Division:				
Individual Life Insurance Sales (8):				
Variable and universal life	$ 54	$ 78	$ 228	$ 286
COLI	17	29	199	42
Term life	11	17	43	59
Total	$ 82	$ 124	$ 470	$ 387
Retail Investments Sales and Assets Under Management:				
Mutual Funds and Wrap-Fee Products:				
Gross sales, other than money market	$ 2,499	$ 3,791	$ 12,725	$ 15,881
Net sales (redemptions) other than money market	$ (125)	$ 1,234	$ 1,968	$ 4,615
Assets under management at end of period:				
Mutual funds	$ 57,809	$ 57,764		
Wrap-fee products	17,955	19,621		
Unit investment trusts	1,157	1,508		
Total	$ 76,921	$ 78,893		
Fixed and variable annuities:				
Gross sales	$ 361	$ 418	$ 1,391	$ 2,511
Net sales (redemptions)	$ (231)	$ (243)	$ (1,181)	$ (839)

Total account value at end of period	$ 21,664	$ 23,985		
Employee Benefits Division:				
Group Insurance Sales (9):				
Group life	$ 115	$ 47	$ 483	$ 321
Group disability	31	25	147	162
Total	$ 146	$ 72	$ 630	$ 483
Other Employee Benefits Sales and Assets Under Management:				
Defined Contribution:				
Gross sales	$ 782	$ 1,407	$ 3,689	$ 5,439
Net sales	$ 144	$ 366	$ 267	$ 1,502
Guaranteed products:				
Gross sales	$ 433	$ 420	$ 2,299	$ 2,024
Net sales (withdrawals)	$ (370)	$ (833)	$ (2,073)	$ (3,255)

</TABLE>

See footnotes on page 4.

Financial Services Businesses Division Highlights
(in millions)

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	Three Months Ended December 31		Year Ended December 31	
	2001	2000	2001	2000
International Division:				
International Insurance Sales (10):				
GAAP Basis	$ 196	$ 162	$ 692	$ 509
Constant exchange rate basis	$ 198	$ 147	$ 692	$ 452
Asset Management Division:				
Assets managed by Asset Management Division (at end of period, in billions):				
Retail customers	$ 96.5	$ 107.4		
Institutional customers	89.1	95.1		
General account	113.8	110.0		
Total managed by Asset Management Division	$ 299.4	$ 312.5		

Closed Block Business (CBB) Data, in millions except per share data (1):

Adjusted Operating Income (2):				
Revenues	$ 2,131	$ 2,307	$ 8,271	$ 8,638
Benefits and expenses	1,984	2,061	7,835	8,091

Adjusted operating income before income taxes	147	246	436	547
Income taxes (3)	58	83	172	192
After-tax adjusted operating income	89	163	264	355
Items excluded from Closed Block Business adjusted operating income:				
Realized investment gains (losses)	(270)	26	(543)	91
Related charge for dividends to policyholders	(113)	(127)	(512)	(445)
Total items excluded from CBB adjusted operating income, before income taxes	(383)	(101)	(1,055)	(354)
Income taxes, including mutual insurance company tax	(191)	(1)	(335)	(86)
Total items excluded from CBB adjusted operating income, after income taxes	(192)	(100)	(720)	(268)
Closed Block Business Net income	$ (103)	$ 63	$ (456)	$ 87
Closed Block Business Attributed equity (as of end of period) (4)	$ 807			
Attributed equity (as of end of period) per Class B Share	$ 404			
Number of Class B Shares at end of period	2			
Consolidated Data (as of end of period; in billions):				
Total assets	$ 293	$ 273		
Assets under management (at fair market value):				
Proprietary, managed by Asset Management Division	$ 299	$ 313		
Non-proprietary, wrap-fee products and other	89	58		
Total assets under management	388	371		
Client assets under administration	202	222		
Assets under management and administration	$ 590	$ 593		

</TABLE>

See footnotes on page 4.

(1) Amounts shown for the Closed Block Business represent results of the Traditional Participating Products segment for periods prior to the effective date of the demutualization.

(2) Adjusted operating income is a non-GAAP measure which excludes realized investment gains, net of losses and related charges; sales practices remedies and costs; results of divested businesses; and demutualization costs and expenses. Revenues and benefits and expenses shown as components of adjusted operating income, and for the Divisions of the Financial Services Businesses, are presented on the same basis as pre-tax adjusted operating income and exclude these items as well. Adjusted operating income should not be viewed as a substitute for net income determined in accordance with GAAP and our definition of adjusted operating income may differ from that used by other companies. The excluded items are important to an understanding of our overall results of operations. However, we believe that the presentation of adjusted operating income as we measure it for management purposes enhances the understanding of our results of operations by highlighting the results from ongoing operations and the underlying profitability factors of our businesses.

(3) Income taxes applicable to pre-tax adjusted operating income, excluding

mutual insurance company tax.

(4) Demutualization costs and expenses for the quarter and year ended December 31, 2001 include demutualization consideration of $340 million paid to former Canadian branch policyholders.

(5) Prudential Financial Inc.'s initial public offering and the demutualization of The Prudential Insurance Company of America became effective on December 18, 2001. Equivalent share earnings reflects a pro forma presentation for shares outstanding, whereby shares issued in the initial public offering, including those issued as a result of the subsequent exercise by underwriters of options to acquire additional shares, and shares distributed as demutualization consideration to policyholders, were assumed to be outstanding for all periods presented. Earnings used in per-share calculations have not been retroactively adjusted to reflect the demutualization or related transactions, including the establishment of the Closed Block Business. As a result of the establishment of the Closed Block Business concurrently with the demutualization, attributed equity as of the end of periods prior to December 31, 2001 is not comparable to attributed equity at that date and thereafter, and therefore is not presented for earlier periods.

(6) Diluted shares reflect the impact of stock options issued on the date of demutualization, weighted for the portion of the period for which they were outstanding.

(7) Results of our International Division include the results of Gibraltar Life from April 2, 2001, the date of reorganization, through November 30, 2001.

(8) Statutory first year premiums and deposits.

(9) Annualized new business premiums, excluding excess premiums which are premiums that build cash value but do not purchase face amounts of group universal life insurance.

(10) Annualized new business premiums. GAAP basis amounts reflect the impact of currency exchange fluctuations. Constant exchange rate amounts are based on the average exchange rates for the year ended December 31, 2001.

Exhibit 99.1

Prudential [LOGO] Financial

Prudential Financial, Inc. (PRU)

Quarterly Financial Supplement

FINANCIAL SERVICES BUSINESSES
FOURTH QUARTER 2001

Reference is made to Prudential Financial, Inc.'s filings with the Securities and Exchange Commission for general information, and consolidated financial information, regarding Prudential Financial, Inc., including its Closed Block Business.

February 12, 2002

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Prudential Financial, Inc.
Quarterly Financial Supplement
Fourth Quarter 2001

The Quarterly Financial Supplement for the period ended December 31, 2001 reflects certain reclassifications of historical revenues, expenses and liabilities to conform to the Company's current presentation. These reclassifications have no impact on adjusted operating income of the Financial Services Businesses or any of its divisions or segments. The primary purposes of the reclassifications are to revise the treatment of certain transactions between segments, so that all such transactions are eliminated within Corporate and Other results rather than at the division level, to present certain recurring revenues of the Private Client Group segment, formerly classified within commission revenues, as fee revenues and to conform the treatment of certain revenue and expense items in our Gibraltar Life operations to current reporting policies. This Quarterly Financial Supplement includes historical summaries of reclassified results for the Individual Life Insurance and Private Client Group segments, the U.S. Consumer Division, Gibraltar Life, and Corporate and Other operations. Additionally, revenues and expenses of the Property and Casualty Insurance segment for the fourth quarter of 2000, expenses of the International Insurance and Retail Investments segments for periods prior to the fourth quarter of 2001, and balance sheet information presented for periods prior to December 31, 2001, reflect reclassifications to conform to current reporting policies. If you have any questions or need assistance with regard to this reclassification, please contact the Investor Relations Unit.

Prudential Financial, Inc.
Quarterly Financial Supplement
Fourth Quarter 2001 Prudential [LOGO] Financial

FINANCIAL HIGHLIGHTS
(in millions, except per share data)

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Year-to-date 2001	Year-to-date 2000	% Change		2000 4Q	2001 1Q	2001 2Q	2001 3Q	2001 4Q
			Financial Services Businesses:					
			Pre-tax adjusted operating income by division:					
310	740	-58%	U. S. Consumer Division	(62)	194	82	47	(13)
183	387	-53%	Employee Benefits Division	76	104	52	3	24
523	322	62%	International Division	60	98	120	180	125
219	276	-21%	Asset Management Division	40	78	32	45	64
28	(4)	800%	Corporate and other operations	(81)	(1)	75	(19)	(27)
1,263	1,721	-27%	Total pre-tax adjusted operating income	33	473	361	256	173
499	605	-18%	Income taxes (1)	(8)	177	101	153	68
764	1,116	-32%	Financial Services Businesses after-tax adjusted operating income	41	296	260	103	105
			Items excluded from adjusted operating income:					
(136)	(408)	67%	Realized investment gains (losses), net of related charges	(199)	243	75	(322)	(132)
-	-	-	Sales practices remedies and costs	-	-	-	-	-
(147)	(636)	77%	Divested businesses	(567)	(22)	(60)	(40)	(25)
(588)	(143)	-311%	Demutualization costs and expenses (2)	(30)	(45)	(117)	(37)	(389)
(871)	(1,187)	27%	Total items excluded from adjusted operating income, before income taxes	(796)	176	(102)	(399)	(546)
(393)	(305)	-29%	Income taxes, including mutual insurance company tax	(347)	69	(92)	(348)	(22)
(478)	(882)	46%	Total items excluded from adjusted operating income, after income taxes	(449)	107	(10)	(51)	(524)
286	234	22%	Income (loss) from continuing operations (after-tax) of Financial Services Businesses	(408)	403	250	52	(419)
16	77	-79%	Income (loss) from discontinued operations, net of related taxes	77	-	-	-	16
302	311	-3%	Net income (loss) of Financial Services Businesses	(331)	403	250	52	(403)

Per share of Common Stock, equivalent share basis - diluted (3):

1.31	1.91	Adjusted operating income	0.07	0.51	0.45	0.18	0.18
0.49	0.40	Income (loss) from continuing operations	(0.70)	0.69	0.43	0.09	(0.72)
0.52	0.53	Net income (loss)	(0.57)	0.69	0.43	0.09	(0.69)
583.6	583.6	Diluted shares (equivalent share basis) (4)	583.6	583.6	583.6	583.6	583.7
		Financial Services Businesses Capitalization Data (5):					
		Short-term debt	10,893	11,922	9,440	9,720	5,405
		Long-term debt	1,476	2,058	3,047	2,983	3,554
		Equity Security Units (6)	-	-	-	-	690
		Attributed Equity:					
		Total Attributed Equity	13,741	14,661	14,787	14,683	19,646
		Excluding unrealized gains and losses on investments	13,147	13,704	13,822	13,433	18,803
		Excluding accumulated other comprehensive income	13,244	13,908	13,960	13,581	19,083
		Total Capitalization:					
		Excluding accumulated other comprehensive income	14,720	15,966	17,007	16,564	23,327
		Including accumulated other comprehensive income	15,217	16,719	17,834	17,666	23,890
		Book value per share of Common Stock:					
		Excluding unrealized gains and losses on investments					32.15
		Excluding accumulated other comprehensive income					32.63
		Including accumulated other comprehensive income					33.59
		Number of diluted shares at end of period					584.8
		Reconciliation to Consolidated Net Income of Prudential Financial, Inc:					
302	311	Net Income (loss) of Financial Services Businesses (above)	(331)	403	250	52	(403)
(456)	87	Net Income (loss) of Closed Block Business (7)	63	34	(55)	(332)	(103)
(154)	398	Consolidated net income (loss)	(268)	437	195	(280)	(506)

</TABLE>

(1) Income taxes applicable to pre-tax adjusted operating income, which excludes the mutual insurance company tax for periods prior to demutualization.
(2) Demutualization costs and expenses for the quarter and year ended December 31, 2001, include demutualization consideration of $340 million paid to former Canadian branch policyholders.
(3) Prudential Financial Inc.'s initial public offering and the demutualization of The Prudential Insurance Company of America became effective on December 18, 2001. Equivalent share earnings reflects a pro forma presentation for shares outstanding, whereby shares issued in the initial public offering, including those issued as a result of the subsequent exercise by underwriters of options to acquire additional shares, and shares distributed as demutualization consideration to policyholders, were assumed to be outstanding for all periods presented. Earnings used in per-share calculations have not been retroactively adjusted to reflect the demutualization or related transactions, including the establishment of the Closed Block Business.
(4) Diluted shares reflect the impact of stock options issued on the date of demutualization, weighted for the portion of the period for which they were outstanding.
(5) As of end of period.
(6) Guaranteed minority interest in Trust holding solely debentures of parent,

as reported in combined balance sheet.

(7) Amounts shown for the Closed Block Business represent results of the Traditional Participating Products segment for periods prior to effective date of demutualization.

OPERATIONS HIGHLIGHTS

Year-to-date 2001	Year-to-date 2000		2000 4Q	2001 1Q	2001 2Q	2001 3Q	2001 4Q
		Common Stock Price Range:					
33.19		High					33.19
29.30		Low					29.30
33.19		Close					33.19
		Common Stock market capitalization ($ millions) (1)					19,369
		Assets Under Management and Administration ($ billions) (1)(2):					
		Assets Under Management:					
		Managed by Asset Management Division:					
		Retail customers(3)	107.4	97.2	99.8	92.8	96.5
		Institutional customers	95.1	89.5	90.7	84.9	89.1
		General account	110.0	111.0	109.3	110.1	113.8
		Total proprietary (3)	312.5	297.7	299.8	287.8	299.4
		Managed by Retail Investments or Private Client Group segments:					
		Non-proprietary wrap-fee and other domestic assets under management	50.5	49.8	51.3	45.0	49.3
		International (4)	8.1	8.9	42.4	40.5	39.3
		Total assets under management	371.1	356.4	393.5	373.3	388.0
		Client assets under administration (5)	221.8	203.5	212.3	190.9	201.6
		Total assets under management and administration	592.9	559.9	605.8	564.2	589.6
		Distribution Representatives(1):					
		Prudential Agents	6,086	5,382	5,049	4,928	4,387
		Financial Advisors (domestic and international)	6,676	6,628	6,497	6,366	6,159
		International Life Planners	3,495	3,434	3,690	3,999	4,104
		Gibraltar Life Advisors	-	-	7,230	6,596	6,121
		Distribution Representative Productivity:					
35	35	Prudential Agent productivity ($ thousands)	32	25	30	28	37
336	401	Financial Advisor Productivity (domestic; $ thousands)	367	364	338	316	327

2001	2000	% Change		2000 4Q	2001 1Q	2001 2Q	2001 3Q	2001 4Q
			Third Party Distribution ($ millions):					
252	128		Individual Life Insurance sales (6)	56	55	43	123	31
3,059	1,464		Retail Investments gross sales (7)	426	494	1,525	494	546

</TABLE>

(1) As of end of period.
(2) At fair market value.
(3) Includes International retail customer assets.
(4) Includes $29.2 billion of Gibraltar Life assets at November 30, 2001.
(5) Includes International customer client assets.
(6) Statutory first year premiums and deposits for Individual Life Insurance segment products by third-party channel.
(7) Gross sales of mutual funds, wrap-fee products, and annuities by third party channel.

COMBINED STATEMENTS OF OPERATIONS - FINANCIAL SERVICES BUSINESSES
(in millions)

<TABLE>
<CAPTION>

Year-to-date 2001	Year-to-date 2000	% Change		2000 4Q	2001 1Q	2001 2Q	2001 3Q	2001 4Q
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
			Revenues (1):					
8,227	5,826	41%	Premiums	1,498	1,611	2,014	2,241	2,361
1,803	1,639	10%	Policy charges and fee income	447	392	483	474	454
5,239	5,224	0%	Net investment income	1,316	1,297	1,352	1,288	1,302
4,356	5,196	-16%	Commissions, investment management fees, and other income	1,197	1,108	1,164	992	1,092
19,625	17,885	10%	Total revenues	4,458	4,408	5,013	4,995	5,209
			Benefits and Expenses (1):					
8,259	6,103	35%	Insurance and annuity benefits	1,658	1,611	2,073	2,279	2,296
1,670	1,618	3%	Interest credited to policyholder account balances	393	382	422	432	434
326	448	-27%	Interest expense	118	108	100	70	48
(1,325)	(1,192)	-11%	Deferral of acquisition costs	(305)	(313)	(343)	(325)	(344)
933	834	12%	Amortization of acquisition costs	241	242	212	255	224
3,279	3,454	-5%	Securities operations non-interest expenses	889	817	875	771	816
5,220	4,899	7%	General and administrative expenses	1,431	1,088	1,313	1,257	1,562
18,362	16,164	14%	Total benefits and expenses	4,425	3,935	4,652	4,739	5,036
1,263	1,721	-27%	Adjusted operating income before income taxes	33	473	361	256	173

			Items excluded from adjusted operating income before income taxes:					
(162)	(379)	57%	Realized investment gains (losses)	(163)	247	82	(326)	(165)
26	(29)	190%	Related charges	(36)	(4)	(7)	4	33
(136)	(408)	67%	Total realized investment gains (losses), net of related charges	(199)	243	75	(322)	(132)
-	-	-	Sales practices remedies and costs	-	-	-	-	-
(147)	(636)	77%	Divested businesses	(567)	(22)	(60)	(40)	(25)
(588)	(143)	-311%	Demutualization costs and expenses	(30)	(45)	(117)	(37)	(389)
(871)	(1,187)	27%	Total items excluded from adjusted operating income before income taxes	(796)	176	(102)	(399)	(546)
392	534	-27%	Income (loss) from continuing operations before income taxes	(763)	649	259	(143)	(373)
106	300	-65%	Income tax expense	(355)	246	9	(195)	46
286	234	22%	Income (loss) from continuing operations, after-tax	(408)	403	250	52	(419)

</TABLE>

(1) Revenues exclude realized investment gains, net of losses, and revenues of divested businesses. Benefits and expenses exclude charges related to realized investment gains, net of losses, benefits and expenses of divested businesses, sales practices remedies and costs, and demutualization costs and expenses.

COMBINED BALANCE SHEETS - FINANCIAL SERVICES BUSINESSES
(in millions)

<TABLE>
<CAPTION>

	12/31/2000	03/31/2001	06/30/2001	09/30/2001	12/31/2001
<S>	<C>	<C>	<C>	<C>	<C>
Assets:					
Investments:					
Fixed maturity securities available for sale, at fair value (amortized cost $45,597; $52,549; $67,706; $66,031; $67,276)	46,172	54,018	68,768	68,018	68,880
Fixed maturity held to maturity, at amortized cost (fair value $7,257; $381; $562; $555; $395)	7,172	354	538	532	374
Trading account assets, at fair value	7,217	9,103	5,752	5,199	5,043
Equity securities available for sale, at fair value (cost $783; $1,017; $3,462; $2,072; $1,671)	855	1,050	3,634	2,026	1,688
Commercial loans	8,177	8,074	13,977	12,756	13,624
Policy loans	2,336	2,459	3,033	3,008	2,812
Securities purchased under agreements to resell	5,395	4,526	6,169	4,480	4,421

Cash collateral for borrowed securities	3,858	3,541	3,422	3,963	5,210
Other long-term investments	2,562	3,095	4,023	3,811	4,336
Short-term investments	2,498	782	2,960	2,773	2,972
	-------	-------	-------	-------	-------
Total investments	86,242	87,002	112,276	106,566	109,360
Cash and cash equivalents	5,165	7,297	11,555	13,209	16,900
Accrued investment income	1,002	930	975	977	1,059
Broker-dealer related receivables	11,860	10,004	8,773	9,119	7,802
Deferred policy acquisition costs	5,389	5,284	5,445	5,525	5,538
Other assets	10,951	11,654	11,500	13,798	13,488
Separate account assets	82,217	79,066	79,697	74,523	77,158
	-------	-------	-------	-------	-------
Total assets	202,826	201,237	230,221	223,717	231,305
	=======	=======	=======	=======	=======
Liabilities:					
Future policy benefits	21,845	21,758	40,756	40,729	39,752
Policyholders' account balances	27,320	27,404	38,498	37,936	37,944
Unpaid claims and claim adjustment expenses	3,549	3,519	3,516	3,478	3,408
Securities sold under agreements to repurchase	11,162	11,169	10,262	9,479	9,280
Cash collateral for loaned securities	9,283	8,611	7,626	6,264	7,650
Income taxes payable	1,041	1,468	1,006	1,550	1,085
Broker-dealer related payables	5,965	5,130	5,206	6,571	6,445
Securities sold but not yet purchased	4,959	5,186	3,979	3,057	2,791
Short-term debt	10,893	11,922	9,440	9,720	5,405
Long-term debt	1,476	2,058	3,047	2,983	3,554
Other liabilities	9,375	9,285	12,401	12,744	16,497
Separate account liabilities	82,217	79,066	79,697	74,523	77,158
	-------	-------	-------	-------	-------
Total liabilities	189,085	186,576	215,434	209,034	210,969
	-------	-------	-------	-------	-------
Guaranteed minority interest in Trust holding solely debentures of Parent	-	-	-	-	690
Attributed Equity:					
Accumulated other comprehensive income (loss)	497	753	827	1,102	563
Other attributed equity	13,244	13,908	13,960	13,581	19,083
	-------	-------	-------	-------	-------
Total attributed equity	13,741	14,661	14,787	14,683	19,646
	-------	-------	-------	-------	-------
Total liabilities and attributed equity	202,826	201,237	230,221	223,717	231,305
	=======	=======	=======	=======	=======

</TABLE>

FINANCIAL SERVICES BUSINESSES COMBINING STATEMENTS OF OPERATIONS - BY DIVISION
(in millions)

<TABLE>
<CAPTION>

	Quarter Ended December 31, 2001					
	Total Financial Services Businesses	U.S. Consumer Division	Employee Benefits Division	International Division	Asset Management Division	Corporate and Other Operations
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Revenues (1):						
Premiums	2,361	636	650	1,046	--	29
Policy charges and fee income	454	318	68	70	--	(2)
Net investment income	1,302	295	664	162	28	153
Commissions, investment management fees, and other income	1,092	676	99	143	313	(139)
Total revenues	5,209	1,925	1,481	1,421	341	41
Benefits and Expenses(1):						
Insurance and annuity benefits	2,296	605	838	841	--	12
Interest credited to policyholder account balances	434	98	311	25	--	--
Interest expense	48	--	2	(2)	4	44
Deferral of acquisition costs	(344)	(201)	(10)	(149)	--	16
Amortization of acquisition costs	224	192	5	47	--	(20)
Securities operations non-interest expenses	816	595	--	147	64	10
General and administrative expenses	1,562	649	311	387	209	6
Total benefits and expenses	5,036	1,938	1,457	1,296	277	68
Adjusted operating income before income taxes	173	(13)	24	125	64	(27)

</TABLE>

<TABLE>
<CAPTION>

	Quarter Ended December 31, 2000					
	Total Financial Services Businesses	U.S. Consumer Division	Employee Benefits Division	International Division	Asset Management Division	Corporate and Other Operations
<S>	<C>	<C>	<C>	<C>	<C>	

<C>

Revenues (1):						
Premiums	1,498	483	556	445	--	14
Policy charges and fee income	447	326	98	26	--	(3)
Net investment income	1,316	325	711	55	22	203
Commissions, investment management fees, and other income	1,197	796	105	145	317	(166)
Total revenues	4,458	1,930	1,470	671	339	48
Benefits and Expenses (1):						
Insurance and annuity benefits	1,658	505	817	327	--	9
Interest credited to policyholder account balances	393	101	292	--	--	--
Interest expense	118	9	7	2	5	95
Deferral of acquisition costs	(305)	(211)	(7)	(109)	--	22
Amortization of acquisition costs	241	213	13	38	--	(23)
Securities operations non-interest expenses	889	641	--	147	88	13
General and administrative expenses	1,431	734	272	206	206	13
Total benefits and expenses	4,425	1,992	1,394	611	299	129
Adjusted operating income before income taxes	33	(62)	76	60	40	(81)

</TABLE>

(1) Revenues exclude realized investment gains, net of losses, and revenues of divested businesses. Benefits and expenses exclude charges related to realized investment gains, net of losses, benefits and expenses of divested businesses, sales practices remedies and costs, and demutualization costs and expenses.

FINANCIAL SERVICES BUSINESSES COMBINING STATEMENTS OF OPERATIONS - BY DIVISION
(in millions)

<TABLE>
<CAPTION>

	Twelve Months Ended December 31, 2001					
	Total Financial Services Businesses	U.S. Consumer Division	Employee Benefits Division	International Division	Asset Management Division	Corporate and Other Operations
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Revenues (1):						
Premiums	8,227	2,317	2,532	3,337	-	41
Policy charges and fee income	1,803	1,259	244	307	-	(7)
Net investment income	5,239	1,235	2,728	511	90	675

Commissions, investment management fees, and other income	4,356	2,833	408	539	1,182	(606)
Total revenues	19,625	7,644	5,912	4,694	1,272	103
Benefits and Expenses(1):						
Insurance and annuity benefits	8,259	2,143	3,403	2,674	-	39
Interest credited to policyholder account balances	1,670	396	1,201	72	-	1
Interest expense	326	7	11	4	15	289
Deferral of acquisition costs	(1,325)	(838)	(30)	(539)	-	82
Amortization of acquisition costs	933	837	14	164	-	(82)
Securities operations non-interest expenses	3,279	2,420	-	530	292	37
General and administrative expenses	5,220	2,369	1,130	1,266	746	(291)
Total benefits and expenses	18,362	7,334	5,729	4,171	1,053	75
Adjusted operating income before income taxes	1,263	310	183	523	219	28

<CAPTION>

Twelve Months Ended December 31, 2000

<S>	Total Financial Services Businesses <C>	U.S. Consumer Division <C>	Employee Benefits Division <C>	International Division <C>	Asset Management Division <C>	Corporate and Other Operations <C>
Revenues (1):						
Premiums	5,826	1,941	2,190	1,680	-	15
Policy charges and fee income	1,639	1,307	250	92	-	(10)
Net investment income	5,224	1,344	2,817	195	52	816
Commissions, investment management fees, and other income	5,196	3,434	429	657	1,292	(616)
Total revenues	17,885	8,026	5,686	2,624	1,344	205
Benefits and Expenses (1):						
Insurance and annuity benefits	6,103	1,838	2,972	1,266	-	27
Interest credited to policyholder account balances	1,618	395	1,224	2	-	(3)
Interest expense	448	11	43	4	5	385
Deferral of acquisition costs	(1,192)	(867)	(26)	(404)	-	105
Amortization of acquisition costs	834	749	23	146	-	(84)
Securities operations non-interest expenses	3,454	2,485	-	586	324	59
General and administrative expenses	4,899	2,675	1,063	702	739	

						(280)
Total benefits and expenses	16,164	7,286	5,299	2,302	1,068	209
Adjusted operating income before income taxes	1,721	740	387	322	276	(4)

</TABLE>

(1) Revenues exclude realized investment gains, net of losses, and revenues of divested businesses. Benefits and expenses exclude charges related to realized investment gains, net of losses, benefits and expenses of divested businesses, sales practices remedies and costs, and demutualization costs and expenses.

FINANCIAL SERVICES BUSINESSES COMBINING BALANCE SHEETS - BY DIVISION
(in millions)

<TABLE>
<CAPTION>

	As of December 31, 2001					
	Total Financial Services Businesses	U.S. Consumer Division	Employee Benefits Division	International Division	Asset Management Division	Corporate and Other Operations
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Assets:						
Total investments	109,360	26,065	38,279	29,841	5,462	9,713
Broker-dealer related receivables	7,802	6,103	-	1,069	318	312
Deferred policy acquisition costs	5,538	3,893	93	1,615	-	(63)
Other assets	31,447	6,638	5,223	8,454	2,898	8,234
Separate account assets	77,158	28,532	29,172	422	19,679	(647)
Total assets	231,305	71,231	72,767	41,401	28,357	17,549
Liabilities:						
Future policy benefits	39,752	3,158	14,084	22,041	-	469
Policyholders' account balances	37,944	8,873	19,238	9,808	-	25
Debt	8,959	2,888	779	1,058	1,767	2,467
Other liabilities	47,156	20,910	6,732	5,429	5,966	8,119
Separate account liabilities	77,158	28,532	29,172	422	19,679	(647)
Total liabilities	210,969	64,361	70,005	38,758	27,412	10,433
Guaranteed minority interest in Trust holding solely debentures of Parent	690	-	-	-	-	690

Attributed Equity:						
Accumulated other comprehensive income (loss)	563	453	518	(171)	2	(239)
Other attributed equity	19,083	6,417	2,244	2,814	943	6,665
Total attributed equity	19,646	6,870	2,762	2,643	945	6,426
Total liabilities and attributed equity	231,305	71,231	72,767	41,401	28,357	17,549

<CAPTION>

<S>	As of December 31, 2000					
	Total Financial Services Businesses	U.S. Consumer Division	Employee Benefits Division	International Division	Asset Management Division	Corporate and Other Operations
	<C>	<C>	<C>	<C>	<C>	<C>
Assets:						
Total investments	86,242	22,233	42,112	4,823	8,915	8,159
Broker-dealer related receivables	11,860	8,068	-	1,022	126	2,644
Deferred policy acquisition costs	5,389	3,909	88	1,425	-	(33)
Other assets	17,118	6,811	2,570	2,657	2,343	2,737
Separate account assets	82,217	32,202	31,047	443	19,218	(693)
Total assets	202,826	73,223	75,817	10,370	30,602	12,814
Liabilities:						
Future policy benefits	21,845	2,913	14,065	4,536	-	331
Policyholders' account balances	27,320	8,433	18,733	128	-	26
Debt	12,369	3,485	1,049	806	1,807	5,222
Other liabilities	45,334	19,893	8,270	3,305	9,120	4,746
Separate account liabilities	82,217	32,202	31,047	443	19,218	(693)
Total liabilities	189,085	66,926	73,164	9,218	30,145	9,632
Guaranteed minority interest in Trust holding solely debentures of Parent	-	-	-	-	-	-
Attributed Equity:						
Accumulated other comprehensive income (loss)	497	401	143	(61)	(2)	16
Other attributed equity	13,244	5,896	2,510	1,213	459	3,166
Total attributed equity	13,741	6,297	2,653	1,152	457	3,182

Total liabilities and attributed equity	202,826	73,223	75,817	10,370	30,602	12,814

</TABLE>

SHORT TERM DEBT - FINANCIAL SERVICES BUSINESSES
(in millions)

<TABLE>
<CAPTION>

	December 31, 2001			
	Prudential Financial, Inc.	The Prudential Insurance Co. of America(a)	Other Affiliates	Total
Borrowings by use of proceeds:				
General corporate purposes	-	222	-	222
Investment related	-	834	-	834
Securities business related	-	1,639	1,484	3,123
Specified other businesses	-	1,141	14	1,155
Limited recourse and non-recourse borrowing	-	-	71	71
Total short-term debt	-	3,836	1,569	5,405
Borrowings by type:				
Long-term debt due within one year	-	753	-	753
Commercial paper	-	3,022	-	3,022
Bank borrowings	-	-	1,324	1,324
Other short-term debt	-	61	174	235
Total general obligations	-	3,836	1,498	5,334
Limited recourse and non-recourse borrowing	-	-	71	71
Total short-term debt	-	3,836	1,569	5,405

</TABLE>

(a) Includes Prudential Funding, LLC.

LONG TERM DEBT
(in millions)

<TABLE>

<CAPTION>

	December 31, 2001						
	General Corporate Purposes	Investment Related	Securities Business Related	Specified Other Businesses	Total General Obligations	Limited Recourse and non-Recourse	Total Borrowings
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Financial Services Businesses:							
Prudential Financial, Inc.:							
Long-term fixed and floating rate notes	-	-	-	-	-	-	-
Hybrid notes	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
The Prudential Insurance Company of America (a):							
Surplus notes	989	-	-	-	989	-	989
Long-term fixed and floating rate notes	1,456	586	-	-	2,042	-	2,042
Commercial paper backed by long-term credit agreements	-	-	-	-	-	-	-
Total	2,445	586	-	-	3,031	-	3,031
Long-term debt of other affiliated companies	-	-	-	-	-	523	523
Total long-term debt of Financial Services Businesses	2,445	586	-	-	3,031	523	3,554
Ratio of long-term and short-term corporate debt to capitalization	12.7%						
Closed Block Business:							
Limited recourse notes of Prudential Holdings, LLC	-	-	-	-	-	1,750	1,750

</TABLE>

(a) Includes Prudential Funding, LLC.

COMBINED STATEMENTS OF OPERATIONS - U. S. CONSUMER DIVISION
(in millions)

<TABLE>
<CAPTION>

Year-to-date 2001	Year-to-date 2000	% Change		2000 4Q	2001 1Q	2001 2Q	2001 3Q	2001 4Q
			Revenues (1):					
2,317	1,941	19%	Premiums	483	545	575	561	636
1,259	1,307	-4%	Policy charges and fee income	326	315	321	305	318
1,235	1,344	-8%	Net investment income	325	333	303	304	295
2,833	3,434	-18%	Commissions, investment management fees, and other income	796	755	713	689	676
7,644	8,026	-5%	Total revenues	1,930	1,948	1,912	1,859	1,925
			Benefits and Expenses (1):					
2,143	1,838	17%	Insurance and annuity benefits	505	456	527	555	605
396	395	0%	Interest credited to policyholder account balances	101	103	99	96	98
7	11	-36%	Interest expense	9	2	3	2	--
(838)	(867)	3%	Deferral of acquisition costs	(211)	(219)	(216)	(202)	(201)
837	749	12%	Amortization of acquisition costs	213	222	193	230	192
2,420	2,485	-3%	Securities operations non-interest expenses	641	603	645	577	595
2,369	2,675	-11%	General and administrative expenses	734	587	579	554	649
7,334	7,286	1%	Total benefits and expenses	1,992	1,754	1,830	1,812	1,938
310	740	-58%	Adjusted operating income before income taxes	(62)	194	82	47	(13)

</TABLE>

(1) Revenues exclude realized investment gains, net of losses. Benefits and expenses exclude charges related to realized investment gains, net of losses.

COMBINING STATEMENTS OF OPERATIONS - U. S. CONSUMER DIVISION
(in millions)

<TABLE>
<CAPTION>

	Quarter Ended December 31, 2001						
						Retail Investments	
	Total U.S. Consumer Division	Individual Life Insurance	Private Client Group	Retail Investments	Property & Casualty Insurance	Mutual Funds(2)	Annuities

<C>

	Total U.S. Consumer Division	Individual Life Insurance	Private Client Group	Retail Investments	Property & Casualty Insurance	Retail Investments Mutual Funds(2)	Retail Investments Annuities
Revenues (1):							
Premiums	636	133	-	8	495	-	8
Policy charges and fee income	318	262	-	56	-	-	56
Net investment income	295	100	54	105	36	-	105
Commissions, investment management fees, and other income	676	30	471	174	1	157	17
Total revenues	1,925	525	525	343	532	157	186
Benefits and Expenses (1):							
Insurance and annuity benefits	605	203	-	33	369	-	33
Interest credited to policyholder account balances	98	35	-	63	-	-	63
Interest expense	-	(1)	-	1	-	-	1
Deferral of acquisition costs	(201)	(74)	-	(34)	(93)	(9)	(25)
Amortization of acquisition costs	192	55	-	39	98	18	21
Securities operations non-interest expenses	595	-	595	-	-	-	-
General and administrative expenses	649	276	9	203	161	133	70
Total benefits and expenses	1,938	494	604	305	535	142	163
Adjusted operating income before income taxes	(13)	31	(79)	38	(3)	15	23

<CAPTION>

Quarter Ended December 31, 2000

<S>	Total U.S. Consumer Division <C>	Individual Life Insurance <C>	Private Client Group <C>	Retail Investments <C>	Property & Casualty Insurance <C>	Retail Investments Mutual Funds(2) <C>	Retail Investments Annuities <C>
Revenues (1):							
Premiums	483	70	-	17	396	-	17
Policy charges and fee income	326	258	-	68	-	-	68
Net investment income	325	87	67	121	50	4	117
Commissions, investment management fees, and other income	796	51	548	196	1	175	21
Total revenues	1,930	466	615	402	447	179	223
Benefits and Expenses(1):							
Insurance and annuity benefits	505	179	-	44	282	-	44
Interest credited to policyholder							

account balances	101	33	-	68	-	-	68
Interest expense	9	10	-	(1)	-	1	(2)
Deferral of acquisition costs	(211)	(75)	-	(41)	(95)	(16)	(25)
Amortization of acquisition costs	213	38	-	74	101	20	54
Securities operations non-interest expenses	641	-	641	-	-	-	-
General and administrative expenses	734	312	15	233	174	157	76
Total benefits and expenses	1,992	497	656	377	462	162	215
Adjusted operating income before income taxes	(62)	(31)	(41)	25	(15)	17	8

</TABLE>

(1) Revenues exclude realized investment gains, net of losses. Benefits and expenses exclude charges related to realized investment gains, net of losses.
(2) Includes wrap-fee products and unit investment trusts.

COMBINING STATEMENTS OF OPERATIONS - U. S. CONSUMER DIVISION
(in millions)

<TABLE>
<CAPTION>

	Twelve Months Ended December 31, 2001						
						Retail Investments	
	Total U.S. Consumer Division	Individual Life Insurance	Private Client Group	Retail Investments	Property & Casualty Insurance	Mutual Funds(2)	Annuities
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Revenues (1):							
Premiums	2,317	387	--	46	1,884	--	46
Policy charges and fee income	1,259	1,017	--	242	--	--	242
Net investment income	1,235	391	243	443	158	3	440
Commissions, investment management fees, and other income	2,833	124	1,973	727	9	651	76
Total revenues	7,644	1,919	2,216	1,458	2,051	654	804
Benefits and Expenses (1):							
Insurance and annuity benefits	2,143	699	--	110	1,334	--	110
Interest credited to policyholder account balances	396	137	--	259	--	--	259
Interest expense	7	--	--	7	--	4	3
Deferral of acquisition costs	(838)	(301)	--	(147)	(390)	(48)	

							(99)
Amortization of acquisition costs	837	232	--	210	395	76	134
Securities operations non-interest expenses	2,420	--	2,420	--	--	--	--
General and administrative expenses	2,369	879	35	838	617	551	287
Total benefits and expenses	7,334	1,646	2,455	1,277	1,956	583	694
Adjusted operating income before income taxes	310	273	(239)	181	95	71	110

<CAPTION>

	Twelve Months Ended December 31, 2000						
						Retail Investments	
	Total U.S. Consumer Division	Individual Life Insurance	Private Client Group	Retail Investments	Property & Casualty Insurance	Mutual Funds(2)	Annuities
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Revenues (1):							
Premiums	1,941	270	--	72	1,599	--	72
Policy charges and fee income	1,307	1,023	--	284	--	--	284
Net investment income	1,344	374	299	478	193	7	471
Commissions, investment management fees, and other income	3,434	161	2,468	797	8	712	85
Total revenues	8,026	1,828	2,767	1,631	1,800	719	912
Benefits and Expenses(1):							
Insurance and annuity benefits	1,838	640	--	153	1,045	--	153
Interest credited to policyholder account balances	395	131	--	264	--	--	264
Interest expense	11	10	--	1	--	3	(2)
Deferral of acquisition costs	(867)	(277)	--	(219)	(371)	(77)	(142)
Amortization of acquisition costs	749	172	--	212	365	79	133
Securities operations non-interest expenses	2,485	--	2,485	--	--	--	--
General and administrative expenses	2,675	1,038	45	981	611	622	359
Total benefits and expenses	7,286	1,714	2,530	1,392	1,650	627	765
Adjusted operating income before income taxes	740	114	237	239	150	92	147

</TABLE>

(1) Revenues exclude realized investment gains, net of losses. Benefits and expenses exclude charges related to realized investment gains, net of losses.
(2) Includes wrap-fee products and unit investment trusts.

Prudential Financial, Inc.
Quarterly Financial Supplement
Fourth Quarter 2001 Prudential [LOGO] Financial

U. S. CONSUMER DIVISION - LIFE INSURANCE SALES AND RETAIL INVESTMENTS SEGMENT
MUTUAL FUNDS, WRAP-FEE PRODUCTS AND ANNUITY SALES AND ASSETS UNDER MANAGEMENT
(in millions)

<TABLE>
<CAPTION>

Year-to-date			2000	2001			
2001	2000		4Q	1Q	2Q	3Q	4Q
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
		INDIVIDUAL LIFE INSURANCE SALES (1):					
228	286	Variable and universal life	78	65	58	51	54
199	42	COLI	29	37	28	117	17
43	59	Term life	17	10	11	11	11
470	387	Total	124	112	97	179	82
		RETAIL INVESTMENTS SEGMENT MUTUAL FUNDS, WRAP-FEE PRODUCTS AND ANNUITY SALES AND ASSETS UNDER MANAGEMENT:					
		Mutual Funds:					
57,764	55,245	Beginning total mutual funds assets	57,754	57,764	58,168	59,618	56,951
5,273	5,378	Sales (other than money market)	1,265	1,324	2,106	907	936
(4,697)	(5,561)	Redemptions (other than money market)	(1,205)	(1,202)	(1,103)	(1,110)	(1,282)
(1,894)	726	Reinvestment of distributions and change in market value	(1,326)	(1,254)	1,056	(3,840)	2,144
1,363	1,976	Net money market sales	1,276	1,536	(609)	1,376	(940)
57,809	57,764	Ending total mutual funds assets	57,764	58,168	59,618	56,951	57,809
576	(183)	Net Mutual Funds sales (redemptions) other than money market	60	122	1,003	(203)	(346)
		Wrap-fee Products:					
19,621	16,723	Beginning total Wrap-fee product assets	20,421	19,621	17,335	18,714	16,141
7,452	10,503	Sales	2,526	2,295	1,968	1,626	1,563
(6,060)	(5,705)	Redemptions	(1,352)	(1,878)	(1,378)	(1,462)	(1,342)
(3,058)	(1,900)	Reinvestment of distributions and change in market value	(1,974)	(2,703)	789	(2,737)	1,593
17,955	19,621	Ending total Wrap-fee product assets	19,621	17,335	18,714	16,141	17,955
1,157	1,508	Unit investment trust assets at end of period	1,508	1,552	1,420	1,168	1,157
19,112	21,129	Total wrap-fee and unit investment trust assets at end of period	21,129	18,887	20,134	17,309	19,112

YTD 2001	YTD 2000		2000 4Q	2001 1Q	2001 2Q	2001 3Q	2001 4Q
1,392	4,798	Net wrap-fee product sales (redemptions)	1,174	417	590	164	221
		Variable Annuities:					
21,059	22,614	Beginning total account value	22,229	21,059	19,118	19,523	17,190
1,271	1,809	Sales, excluding exchanges	383	339	328	274	330
-	481	Exchange sales	5	-	-	-	-
(2,356)	(2,989)	Surrenders, withdrawals and exchange redemptions	(600)	(665)	(591)	(552)	(548)
(1,285)	(856)	Change in market value, interest credited, and other activity (2)	(958)	(1,615)	668	(2,055)	1,717
18,689	21,059	Ending total account value	21,059	19,118	19,523	17,190	18,689
(1,085)	(699)	Net sales (redemptions)	(212)	(326)	(263)	(278)	(218)
		Fixed Annuities:					
2,926	3,020	Beginning total account value	2,942	2,926	2,889	2,872	2,865
120	221	Sales	30	30	27	32	31
(216)	(361)	Surrenders, withdrawals and exchange redemptions	(61)	(69)	(55)	(48)	(44)
145	46	Interest credited and other activity (2)	15	2	11	9	123
2,975	2,926	Ending account value	2,926	2,889	2,872	2,865	2,975
(96)	(140)	Net sales (redemptions)	(31)	(39)	(28)	(16)	(13)

</TABLE>

(1) Statutory first year premiums and deposits.

(2) Year-to-date and 4Q 2001 include increases in policyholder account values of $429 million for Variable Annuities and $157 million for Fixed Annuities as a result of policyholder credits issues in connection with the Company's demutualization, as well as a decrease in policyholder account values of $50 million in Fixed Annuities transferred to the Closed Block Business upon its establishment.

U. S. CONSUMER DIVISION - LIFE INSURANCE, RETAIL INVESTMENTS SEGMENT MUTUAL FUNDS, WRAP-FEE PRODUCTS, AND ANNUITY SALES BY DISTRIBUTION CHANNEL
(in millions)

<TABLE>
<CAPTION>

Year-to-date 2001	Year-to-date 2000		2000 4Q	2001 1Q	2001 2Q	2001 3Q	2001 4Q
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>

		INDIVIDUAL LIFE INSURANCE SALES(1) BY DISTRIBUTION CHANNEL					
218	259	Prudential Agents	68	57	54	56	51
252	128	Third party distribution	56	55	43	123	31
470	387	Total	124	112	97	179	82
		RETAIL INVESTMENTS SEGMENT MUTUAL FUNDS, WRAP-FEE PRODUCTS AND ANNUITY SALES BY DISTRIBUTION CHANNEL					
		Mutual funds, excluding wrap-fee products (2):					
743	1,123	Prudential Agents	214	233	199	161	150
1,602	2,930	Financial Advisors	630	575	429	298	300
2,851	1,196	Third-party distributors	379	445	1,470	457	479
77	129	Other	42	71	8	(9)	7
5,273	5,378	Total	1,265	1,324	2,106	907	936
		Wrap-fee products:					
424	406	Prudential Agents	115	109	110	104	101
6,837	9,833	Financial Advisors	2,366	2,138	1,807	1,488	1,404
191	264	Third-party distributors	45	48	51	34	58
7,452	10,503	Total	2,526	2,295	1,968	1,626	1,563
		Variable and Fixed Annuities:					
1,144	2,086	Prudential Agents	317	296	293	257	298
230	421	Financial Advisors	99	72	58	46	54
17	4	Third-party distributors	2	1	4	3	9
1,391	2,511	Total	418	369	355	306	361

</TABLE>

(1) Statutory first year premiums and deposits.
(2) Other than money market.

U. S. CONSUMER DIVISION - ACCOUNT VALUE ACTIVITY
(in millions)

<TABLE>
<CAPTION>

Year-to-date			2000	2001			
2001	2000		4Q	1Q	2Q	3Q	4Q

<S>	<C>		<C>	<C>	<C>	<C>	<C>
		INDIVIDUAL LIFE INSURANCE:					
		Policyholders' Account Balances:					
3,526	3,303	Beginning balance	3,470	3,526	3,578	3,628	3,664
772	812	Premiums and deposits	187	191	181	194	206
90	88	Interest credited	24	24	21	20	25
(706)	(783)	Surrenders and withdrawals	(175)	(172)	(174)	(159)	(201)
89	149	Net transfers (to) from separate account	33	32	26	24	7
(59)	(60)	Policy charges	(15)	(14)	(14)	(17)	(14)
114	17	Benefits and other	2	(9)	10	(26)	139
3,826	3,526	Ending balance	3,526	3,578	3,628	3,664	3,826
		Separate Account Liabilities:					
13,892	14,051	Beginning balance	14,232	13,892	12,849	13,391	12,021
1,774	1,642	Premiums and deposits	444	447	417	491	419
(915)	(123)	Change in market value and interest credited	(373)	(1,059)	531	(1,418)	1,031
(677)	(590)	Surrenders and withdrawals	(142)	(172)	(179)	(117)	(209)
(107)	(147)	Net transfers (to) from general account	(32)	(20)	19	(96)	(10)
(864)	(858)	Policy charges	(215)	(216)	(215)	(210)	(223)
(93)	(83)	Benefits and other	(22)	(23)	(31)	(20)	(19)
13,010	13,892	Ending balance	13,892	12,849	13,391	12,021	13,010
		INDIVIDUAL ANNUITIES:					
		Account Values in General Account:					
5,677	5,842	Beginning balance	5,712	5,677	5,624	5,587	5,566
1,391	2,511	Premiums and deposits	418	369	355	306	361
310	321	Interest credited	82	78	79	76	77
(2,572)	(3,350)	Surrenders and withdrawals	(661)	(734)	(646)	(600)	(592)
1,001	540	Net transfers (to) from separate account	163	283	235	240	243
(5)	(5)	Policy charges	(2)	(1)	(1)	(1)	(2)
350	(182)	Benefits and other (1)	(35)	(48)	(59)	(42)	499
6,152	5,677	Ending balance	5,677	5,624	5,587	5,566	6,152
		Account Values in Separate Account:					
18,308	19,792	Beginning balance	19,459	18,308	16,383	16,808	14,489
905	2,117	Premiums and deposits	449	265	246	206	188
(1,578)	(693)	Change in market value and interest credited	(928)	(1,584)	717	(2,027)	1,316
(2,064)	(2,586)	Surrenders and withdrawals	(511)	(569)	(536)	(481)	

(478)

158	(71)	Net transfers (to) from general account	(101)	21	55	35	47
(217)	(251)	Policy charges	(60)	(58)	(57)	(52)	(50)
-	-	Benefits and other	-	-	-	-	-
------	------		------	------	------	------	------
15,512	18,308	Ending balance	18,308	16,383	16,808	14,489	15,512
======	======		======	======	======	======	======

</TABLE>

(1) Year-to-date and 4Q 2001 include increases in policyholder account values of $586 million as a result of policyholder credits issued in connection with the Company's demutualization, as well as a decrease in policyholder account values of $50 million transferred to the Closed Block Business upon its establishment.

U. S. CONSUMER DIVISION - DEFERRED POLICY ACQUISITION COSTS
(in millions)

<TABLE>
<CAPTION>

Year-to-date			2000	2001			
2001	2000		4Q	1Q	2Q	3Q	4Q
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
		INDIVIDUAL LIFE INSURANCE:					
3,090	3,014	Beginning balance	3,069	3,090	3,088	3,117	3,115
301	277	Capitalization	75	76	77	74	74
(232)	(172)	Amortization - operating results	(38)	(62)	(55)	(60)	(55)
-	-	Amortization - realized investment gains and losses	-	-	-	-	-
(26)	(29)	Impact of unrealized (gains) or losses on AFS securities	(16)	(16)	7	(16)	(1)
-	-	Other	-	-	-	-	-
-------	--------		------	-------	--------	--------	------
3,133	3,090	Ending balance	3,090	3,088	3,117	3,115	3,133
=======	========		======	=======	========	========	======
		INDIVIDUAL ANNUITIES:					
682	693	Beginning balance	724	682	648	655	612
99	142	Capitalization	25	26	24	24	25
(134)	(133)	Amortization - operating results	(54)	(41)	(21)	(51)	(21)
14	6	Amortization - realized investment gains and losses	3	(1)	(2)	2	15
(33)	(26)	Impact of unrealized (gains) or losses on AFS securities	(16)	(18)	6	(18)	(3)
-	-	Other	-	-	-	-	-
-------	--------		------	-------	--------	--------	------
628	682	Ending balance	682	648	655	612	628

2001 YTD	2000 YTD		4Q 2000	1Q 2001	2Q 2001	3Q 2001	4Q 2001
		PROPERTY & CASUALTY INSURANCE:					
137	110	Beginning balance	143	137	137	141	137
390	371	Capitalization	95	100	102	95	93
(395)	(365)	Amortization - operating results	(101)	(100)	(98)	(99)	(98)
-	-	Amortization - realized investment gains and losses	-	-	-	-	-
-	-	Impact of unrealized (gains) or losses on AFS securities	-	-	-	-	-
-	21	Other	-	-	-	-	-
132	137	Ending balance	137	137	141	137	132
		TOTAL U. S. CONSUMER DIVISION:					
3,909	3,817	Beginning balance	3,936	3,909	3,873	3,913	3,864
790	790	Capitalization	195	202	203	193	192
(761)	(670)	Amortization - operating results	(193)	(203)	(174)	(210)	(174)
14	6	Amortization - realized investment gains and losses	3	(1)	(2)	2	15
(59)	(55)	Impact of unrealized (gains) or losses on AFS securities	(32)	(34)	13	(34)	(4)
-	21	Other	-	-	-	-	-
3,893	3,909	Ending balance	3,909	3,873	3,913	3,864	3,893

</TABLE>

U. S. CONSUMER DIVISION - SUPPLEMENTARY INFORMATION FOR INDIVIDUAL LIFE INSURANCE AND PRIVATE CLIENT GROUP

(dollar amounts in millions)

<TABLE>
<CAPTION>

Year-to-date			2000	2001			
2001	2000		4Q	1Q	2Q	3Q	4Q
<S>	<C>		<C>	<C>	<C>	<C>	<C>
		Individual Life Insurance:					
		Policy Surrender Experience:					
637	641	Cash value of surrenders	144	180	149	132	176
3.8%	3.7%	Cash value of surrenders as a percentage of mean future policy benefits, policyholders' account balances, and separate account balances	3.3%	4.3%	3.5%	3.2%	4.4%

2001	2000		2000 4Q	2001 1Q	2001 2Q	2001 3Q	2001 4Q
		Death claims per $1,000 of in-force: (1)					
2.10	2.06	Variable and universal life	2.22	2.22	1.65	2.53	2.01
1.50	1.18	Term life	1.10	1.07	1.25	2.78	0.86
1.93	1.82	Total, Individual Life Insurance Segment	1.88	1.88	1.55	2.61	1.65

<CAPTION>

Year-to-date 2001	Year-to-date 2000		2000 4Q	2001 1Q	2001 2Q	2001 3Q	2001 4Q
<S>	<C>		<C>	<C>	<C>	<C>	<C>
		Private Client Group:					
		Non-Interest Revenues:					
1,155	1,561	Commissions	327	320	296	252	287
684	748	Fees	198	182	168	178	156
134	159	Other non-interest revenues	23	34	35	37	28
1,973	2,468	Total non-interest revenues	548	536	499	467	471
		Recurring revenue as a percentage of total non-interest revenue (2)	31%	34%	34%	36%	35%
4,300	6,540	Average customer margin lending balances	6,251	5,223	4,376	4,200	3,470

</TABLE>

(1) Annualized, for interim reporting periods

(2) Calculated on a trailing 12 month basis excluding Consumer Banking revenue.

U. S. CONSUMER DIVISION - SUPPLEMENTARY INFORMATION FOR PROPERTY AND CASUALTY INSURANCE
(dollar amounts in millions)

<TABLE>
<CAPTION>

Year-to-date 2001	Year-to-date 2000		2000 4Q	2001 1Q	2001 2Q	2001 3Q	2001 4Q
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
		Earned premium:					
1,403	1,153	Automobile	290	328	346	356	373
448	413	Homeowners'	97	109	112	113	114
33	33	Other	9	8	8	9	

8

1,884	1,599	Total earned premium	396	445	466	478	495
		Loss ratio(1)(2):					
70.6%	64.0%	Automobile	66.4%	56.9%	74.1%	69.1%	81.0%
76.5%	72.4%	Homeowners'	82.9%	79.5%	60.2%	97.3%	69.0%
70.8%	65.8%	Overall	71.3%	61.8%	70.5%	75.6%	74.5%
		Expense ratio(1)(3):					
30.8%	35.3%	Automobile	43.6%	32.0%	31.2%	30.3%	29.5%
36.6%	45.3%	Homeowners'	62.6%	43.3%	34.8%	34.3%	35.9%
32.1%	37.8%	Overall	48.3%	34.3%	32.0%	31.3%	31.0%
		Combined ratio(4):					
101.4%	99.3%	Automobile	110.0%	88.9%	105.3%	99.4%	110.5%
113.1%	117.7%	Homeowners'	145.5%	122.8%	95.0%	131.6%	104.9%
102.9%	103.6%	Overall	119.6%	96.1%	102.5%	106.9%	105.5%
42.1	45.1	Catastrophe losses (5)	10.0	3.3	26.6	14.2	(2.0)
2.2%	2.7%	Effect of catastrophic losses on combined ratio	2.5%	0.7%	5.7%	3.0%	-0.4%
		Accident year combined ratio (6)	114.6%	106.1%	106.0%	106.9%	107.0%

</TABLE>

(1) Based on statutory data.

(2) Represents ratio of incurred losses and loss adjustment expenses to net earned premium.

(3) Represents ratio of operating expenses to net written premium.

(4) Represents the sum of loss ratio and expense ratio above.

(5) Represents losses and loss adjustment expenses attributable to catastrophes that are included in the combined ratio. We classify catastrophes as those events that are declared catastrophes by Property Claims Services, which is an industry organization that declares and tracks all property-related catastrophes causing insured property damage in the United States.

(6) Accident year combined ratios for annual periods reflect the combined ratios for accidents that occur in the indicated calendar year, restated to reflect subsequent changes in loss estimates for those claims based on cumulative loss data through the most recent balance sheet date. Accident year combined ratios for interim periods reflect the combined ratios for policies written in those periods, based on cumulative loss data through the respective balance sheet date of the indicated year. These ratios reflect any recoveries from stop-loss reinsurance contracts during the indicated periods.

COMBINED STATEMENTS OF OPERATIONS - EMPLOYEE BENEFITS DIVISION
(in millions)

<TABLE>
<CAPTION>

Year-to-date		%		2000	2001			
2001	2000	Change		4Q	1Q	2Q	3Q	4Q

<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
			Revenues (1):					
2,532	2,190	16%	Premiums	556	610	622	650	650
244	250	-2%	Policy charges and fee income	98	53	55	68	68
2,728	2,817	-3%	Net investment income	711	705	688	671	664
408	429	-5%	Commissions, investment management fees, and other income	105	93	106	110	99
5,912	5,686	4%	Total revenues	1,470	1,461	1,471	1,499	1,481
			Benefits and Expenses (1):					
3,403	2,972	15%	Insurance and annuity benefits	817	811	835	919	838
1,201	1,224	-2%	Interest credited to policyholder account balances	292	279	304	307	311
11	43	-74%	Interest expense	7	2	4	3	2
(30)	(26)	-15%	Deferral of acquisition costs	(7)	(6)	(7)	(7)	(10)
14	23	-39%	Amortization of acquisition costs	13	3	4	2	5
1,130	1,063	6%	General and administrative expenses	272	268	279	272	311
5,729	5,299	8%	Total benefits and expenses	1,394	1,357	1,419	1,496	1,457
183	387	-53%	Adjusted operating income before income taxes	76	104	52	3	24

</TABLE>

(1) Revenues exclude realized investment gains, net of losses. Benefits and expenses exclude charges related to realized investment gains, net of losses

COMBINING STATEMENTS OF OPERATIONS - EMPLOYEE BENEFITS DIVISION
(in millions)

<TABLE>
<CAPTION>

	Twelve Months Ended December 31, 2001			Quarter Ended December 31, 2001		
	Total Employee Benefits Division	Group Insurance	Other Employee Benefits	Total Employee Benefits Division	Group Insurance	Other Employee Benefits
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Revenues (1):						
Premiums	2,532	2,512	20	650	643	7
Policy charges and fee income	244	164	80	68	45	23
Net investment income	2,728	547	2,181	664	140	524
Commissions, investment management fee and other income	408	25	383	99	8	91

Total revenues	5,912	3,248	2,664	1,481	836	645
Benefits and Expenses (1):						
Insurance and annuity benefits	3,403	2,490	913	838	618	220
Interest credited to policyholder account balances	1,201	224	977	311	61	250
Interest expense	11	(2)	13	2	(1)	3
Deferral of acquisition costs	(30)	(18)	(12)	(10)	(7)	(3)
Amortization of acquisition costs	14	4	10	5	3	2
General and administrative expenses	1,130	480	650	311	141	170
Total benefits and expenses	5,729	3,178	2,551	1,457	815	642
Adjusted operating income before income taxes	183	70	113	24	21	3

<CAPTION>

	Twelve Months Ended December 31, 2000			Quarter Ended December 31, 2000		
	Total Employee Benefits Division	Group Insurance	Other Employee Benefits	Total Employee Benefits Division	Group Insurance	Other Employee Benefits
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Revenues (1):						
Premiums	2,190	2,119	71	556	545	11
Policy charges and fee income	250	172	78	98	79	19
Net investment income	2,817	485	2,332	711	131	580
Commissions, investment management fees, and other income	429	25	404	105	7	98
Total revenues	5,686	2,801	2,885	1,470	762	708
Benefits and Expenses (1):						
Insurance and annuity benefits	2,972	2,042	930	817	538	279
Interest credited to policyholder account balances	1,224	200	1,024	292	55	237
Interest expense	43	(1)	44	7	(1)	8
Deferral of acquisition costs	(26)	(11)	(15)	(7)	(3)	(4)
Amortization of acquisition costs	23	1	22	13	1	12
General and administrative expenses	1,063	412	651	272	104	168
Total benefits and expenses	5,299	2,643	2,656	1,394	694	700

Adjusted operating income before income taxes	387	158	229	76	688
	=========	==========	=========	=========	==========

</TABLE>

(1) Revenues exclude realized investment gains, net of losses. Benefits and expenses exclude charges related to realized investment gains, net of losses.

EMPLOYEE BENEFITS DIVISION - SALES RESULTS AND ASSETS UNDER MANAGEMENT
(in millions)

<TABLE>
<CAPTION>

Year-to-date 2001	Year-to-date 2000		2000 4Q	2001 1Q	2001 2Q	2001 3Q	2001 4Q
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
		GROUP INSURANCE NEW ANNUALIZED PREMIUMS:					
483	321	Group life (1)	47	274	30	64	115
147	162	Group disability (2)	25	64	18	34	31
630	483	Total	72	338	48	98	146
======	======		======	======	======	======	======
		OTHER EMPLOYEE BENEFITS - SALES AND ASSETS UNDER MANAGEMENT:					
		Defined Contribution:					
26,046	25,788	Beginning total account value	27,129	26,046	24,473	25,319	22,710
3,689	5,439	Sales	1,407	1,255	923	729	782
(3,422)	(3,937)	Withdrawals	(1,041)	(1,035)	(1,021)	(728)	(638)
(1,673)	(1,244)	Change in market value, interest credited and other (3)	(1,449)	(1,793)	944	(2,610)	1,786
24,640	26,046	Ending total account value	26,046	24,473	25,319	22,710	24,640
======	======		======	======	======	======	======
267	1,502	Net sales	366	220	(98)	1	144
======	======		======	======	======	======	======
		Asset management of ending total account value:					
		Proprietary	19,132	17,941	18,287	16,501	17,665
		Non-proprietary	6,914	6,532	7,032	6,209	6,975
		Total	26,046	24,473	25,319	22,710	24,640
			======	======	======	======	======
		Guaranteed Products:					
41,577	41,757	Beginning total account value	41,751	41,577	40,461	39,920	39,008
2,299	2,024	Sales	420	400	1,181	285	433
(4,372)	(5,279)	Withdrawals and benefits	(1,253)	(1,569)	(877)	(1,123)	(803)
2,198	2,997	Change in market value and interest income	822	326	646	388	838
(1,877)	78	Other (4)	(163)	(273)	(1,491)	(462)	349
39,825	41,577	Ending total account value	41,577	40,461	39,920	39,008	39,825
======	======		======	======	======	======	======
(2,073)	(3,255)	Net sales	(833)	(1,169)	304	(838)	(370)
======	======		======	======	======	======	======

Product composition of ending total account value:					
Spread-lending products	19,184	19,069	19,020	18,841	18,887
Fee-based products	22,393	21,392	20,900	20,167	20,938
Total	41,577	40,461	39,920	39,008	39,825

</TABLE>

(1) Amounts do not include excess premiums, which are group universal life insurance premiums that build cash value but do not purchase face amounts.
(2) Includes long-term care products.
(3) Year-to-date and 4Q 2001 include an increase in policyholder account values of $433 million as a result of policyholder credits issued in connection with the Company's demutualization.
(4) Represents changes in asset balances for externally managed accounts. In addition, year-to-date and 4Q 2001 include an increase in policyholder account values of $181 million representing cumulative conversions of client account balances to products currently included in this division as well as $2 million of policyholder credits issued in connection with the Company's demutualization.

EMPLOYEE BENEFITS DIVISION - SUPPLEMENTARY INFORMATION
(dollar amounts in millions)

<TABLE>
<CAPTION>

	2000	2001			
	4Q	1Q	2Q	3Q	4Q
<S>	<C>	<C>	<C>	<C>	<C>
Future Policy Benefits (1):					
Group life	1,416	1,414	1,452	1,623	1,664
Group disability (2)	67	96	101	98	103
Other employee benefits	12,582	12,595	12,446	12,498	12,317
Total	14,065	14,105	13,999	14,219	14,084
Policyholder Account Balances (1):					
Group life	3,344	3,424	3,664	3,764	3,805
Group disability (2)	51	45	41	57	61
Other employee benefits	15,338	15,288	15,305	15,208	15,372
Total	18,733	18,757	19,010	19,029	19,238
Separate Account Liabilities (1):					
Group life	7,130	6,897	7,156	7,246	7,634
Group disability (2)	-	-	-	-	-
Other employee benefits	23,917	23,591	22,808	22,189	21,538
Total separate account	31,047	30,488	29,964	29,435	29,172
Group Life Insurance:					
Gross premiums, policy charges and fee income (3)	561	565	596	637	641
Earned premiums, policy charges and fee income	492	501	529	579	551
Benefits ratio	82.3%	90.0%	94.7%	96.6%	88.6%
Administrative operating expense ratio	11.6%	10.4%	9.7%	8.8%	11.2%
Persistency ratio	95.2%	98.8%	98.7%	97.9%	97.4%
Group Disability Insurance (2):					
Gross premiums, policy charges and fee income (3)	125	129	131	141	142
Earned premiums, policy charges and fee income	132	125	125	129	137
Benefits ratio	100.6%	88.5%	97.8%	99.2%	

					94.9%
Administrative operating expense ratio	14.6%	23.3%	25.2%	22.0%	25.4%
Persistency ratio	90.6%	92.4%	91.3%	89.4%	88.8%

</TABLE>

(1) As of end of period.
(2) Group disability amounts include long-term care products.
(3) Before returns of premiums to participating policyholders for favorable claims experience.

COMBINED STATEMENTS OF OPERATIONS - INTERNATIONAL DIVISION
(in millions)

<TABLE>
<CAPTION>

Year-to-date 2001	Year-to-date 2000	% Change		2000 4Q	2001 1Q	2001 2Q	2001 3Q	2001 4Q
			Revenues (1):					
3,337	1,680	99%	Premiums	445	454	817	1,020	1,046
307	92	234%	Policy charges and fee income	26	24	111	102	70
511	195	162%	Net investment income	55	50	129	170	162
539	657	-18%	Commissions, investment management fees, and other income	145	144	134	118	143
4,694	2,624	79%	Total revenues	671	672	1,191	1,410	1,421
			Benefits and Expenses (1):					
2,674	1,266	111%	Insurance and annuity benefits	327	337	702	794	841
72	2	3496%	Interest credited to policyholder account balances	-	1	18	28	25
4	4	0%	Interest expense	2	2	2	2	(2)
(539)	(404)	-33%	Deferral of acquisition costs	(109)	(114)	(143)	(133)	(149)
164	146	12%	Amortization of acquisition costs	38	38	35	44	47
530	586	-10%	Securities operations non-interest expenses	147	127	131	125	147
1,266	702	80%	General and administrative expenses	206	183	326	370	387
4,171	2,302	81%	Total benefits and expenses	611	574	1,071	1,230	1,296
523	322	62%	Adjusted operating income before income taxes	60	98	120	180	125

</TABLE>

(1) Revenues exclude realized investment gains, net of losses. Benefits and expenses exclude charges related to realized investment gains, net of

losses.

COMBINING STATEMENTS OF OPERATIONS - INTERNATIONAL DIVISION
(in millions)

<TABLE>
<CAPTION>

	Twelve Months Ended December 31, 2001			
	Total International Division	International Insurance excl.Gibraltar Life	International Insurance- Gibraltar Life(2)	International Securities and Investments
<S>	<C>	<C>	<C>	<C>
Revenues (1):				
Premiums	3,337	1,832	1,505	--
Policy charges and fee income	307	102	205	--
Net investment income	511	146	304	61
Commissions, investment management fees, and other income	539	40	12	487
Total revenues	4,694	2,120	2,026	548
Benefits and Expenses (1):				
Insurance and annuity benefits	2,674	1,383	1,291	--
Interest credited to policyholder account balances	72	5	67	--
Interest expense	4	5	(1)	--
Deferral of acquisition costs	(539)	(458)	(81)	--
Amortization of acquisition costs	164	154	9	1
Securities operations non-interest expenses	530	--	--	530
General and administrative expenses	1,266	682	479	105
Total benefits and expenses	4,171	1,771	1,764	636
Adjusted operating income before income taxes	523	349	262	(88)

<CAPTION>

	Twelve Months Ended December 31, 2000			
	Total International Division	International Insurance excl.Gibraltar Life	International Insurance- Gibraltar Life(2)	International Securities and Investments
<S>	<C>	<C>	<C>	<C>

Revenues (1):				
Premiums	1,680	1,680	--	--
Policy charges and fee income	92	92	--	--
Net investment income	195	129	--	66
Commissions, investment management fees, and other income	657	19	--	638
Total revenues	2,624	1,920	--	704
Benefits and Expenses (1):				
Insurance and annuity benefits	1,266	1,266	--	--
Interest credited to policyholder account balances	2	2	--	--
Interest expense	4	4	--	--
Deferral of acquisition costs	(404)	(403)	--	(1)
Amortization of acquisition costs	146	145	--	1
Securities operations non-interest expenses	586	-	--	586
General and administrative expenses	702	610	--	92
Total benefits and expenses	2,302	1,624	--	678
Adjusted operating income before income taxes	322	296	--	26

<CAPTION>

	Quarter Ended December 31, 2001			
	Total International Division	International Insurance excl.Gibraltar Life	International Insurance-Gibraltar Life(2)	International Securities and Investments
<S>	<C>	<C>	<C>	<C>
Revenues (1):				
Premiums	1,046	481	565	--
Policy charges and fee income	70	31	39	--
Net investment income	162	41	107	14
Commissions, investment management fees, and other income	143	12	10	121
Total revenues	1,421	565	721	135
Benefits and Expenses (1):				
Insurance and annuity benefits	841	364	477	--
Interest credited to policyholder account balances	25	2	23	--
Interest expense	(2)	--	(2)	--
Deferral of acquisition costs	(149)	(112)	(37)	--
Amortization of acquisition costs	47	41	6	--

Securities operations non-interest expenses	147	--	--	147
General and administrative expenses	387	175	177	35
Total benefits and expenses	1,296	470	644	182
Adjusted operating income before income taxes	125	95	77	(47)

<CAPTION>

	Quarter Ended December 31, 2000			
	Total International Division	International Insurance excl.Gibraltar Life	International Insurance- Gibraltar Life(2)	International Securities and Investments
<S>	<C>	<C>	<C>	<C>
Revenues (1):				
Premiums	445	445	--	--
Policy charges and fee income	26	26	--	--
Net investment income	55	35	--	20
Commissions, investment management fees, and other income	145	6	--	139
Total revenues	671	512	--	159
Benefits and Expenses (1):				
Insurance and annuity benefits	327	327	--	--
Interest credited to policyholder account balances	--	--	--	--
Interest expense	2	2	--	--
Deferral of acquisition costs	(109)	(109)	--	--
Amortization of acquisition costs	38	38	--	--
Securities operations non-interest expenses	147	--	--	147
General and administrative expenses	206	169	--	37
Total benefits and expenses	611	427	--	184
Adjusted operating income before income taxes	60	85	--	(25)

</TABLE>

(1) Revenues exclude realized investment gains, net of losses. Benefits and expenses exclude charges related to realized investment gains, net of losses.
(2) Results of Gibraltar Life are included from April 2, 2001, the date of reorganization, through November 30, 2001.

INTERNATIONAL DIVISION - SALES RESULTS AND SUPPLEMENTARY INFORMATION
(dollar amounts in millions unless otherwise noted)

<TABLE>
<CAPTION>

Year-to-date 2001	Year-to-date 2000		2000 4Q	2001 1Q	2001 2Q	2001 3Q	2001 4Q
		INTERNATIONAL INSURANCE OPERATING DATA:					
		GAAP exchange rate basis (1):					
		Net premiums, policy charges and fee income:					
1,526	1,485	Japan, excluding Gibraltar Life	388	394	361	376	395
1,710	-	Gibraltar Life (2)	-	-	467	639	604
408	287	All other countries	83	84	100	107	117
3,644	1,772	Total	471	478	928	1,122	1,116
		Annualized new business premiums:					
370	359	Japan, excluding Gibraltar Life	115	114	92	77	87
110	-	Gibraltar Life (2)	-	-	10	44	56
212	150	All other countries	47	48	60	51	53
692	509	Total	162	162	162	172	196
		Constant exchange rate basis (3):					
		Net premiums, policy charges and fee income:					
1,526	1,318	Japan, excluding Gibraltar Life	350	384	365	376	401
1,719	-	Gibraltar Life (2)	-	-	472	645	602
408	256	All other countries	75	81	102	106	119
3,653	1,574	Total	425	465	939	1,127	1,122
		Annualized new business premiums:					
370	319	Japan, excluding Gibraltar Life	103	111	93	77	89
110	-	Gibraltar Life (2)	-	-	10	44	56
212	133	All other countries	44	47	61	51	53
692	452	Total	147	158	164	172	198
		Face amount of individual policies inforce at end of period (in billions):					
		Japan, excluding Gibraltar Life	112	117	120	124	127
		Gibraltar Life (2)	-	-	265	244	232
		All other countries	26	27	32	34	

38

Total	138	144	417	402	397
Number of individual policies in force at end of period (in thousands):					
Japan, excluding Gibraltar Life	805	858	892	918	946
Gibraltar Life (2)	-	-	5,322	5,047	4,911
All other countries	376	410	452	492	536
Total	1,181	1,268	6,666	6,457	6,393

</TABLE>

(1) Translated based on applicable average exchange rate for the period shown.

(2) Results of Gibraltar Life are included from April 2, 2001, the date of reorganization, through November 30, 2001.

(3) Translated based on average exchange rates for the year ended December 31, 2001.

INTERNATIONAL DIVISION - SALES RESULTS AND SUPPLEMENTARY INFORMATION
(dollar amounts in millions unless otherwise noted)

<TABLE>
<CAPTION>

	2000	2001			
	4Q	1Q	2Q	3Q	4Q
<S>	<C>	<C>	<C>	<C>	<C>
International insurance policy persistency (1):					
13 months	94.0%	93.6%	93.1%	93.1%	93.2%
25 months	88.4%	88.2%	88.9%	88.9%	88.1%
Number of Life Planners at end of period (2):					
Japan	1,811	1,802	1,853	1,944	1,992
All other countries	1,684	1,632	1,837	2,055	2,112
Total	3,495	3,434	3,690	3,999	4,104
Number of International Retail Financial Advisors at end of period	620	643	632	646	633

Assets managed or administered for customers outside of the United States at end of period		34,061	32,802	66,388	62,642	64,280

</TABLE>

(1) Excluding Gibraltar Life.

(2) Excluding Gibraltar Life Advisors.

COMBINED STATEMENTS OF OPERATIONS - ASSET MANAGEMENT DIVISION
(in millions)

<TABLE>
<CAPTION>

Year-to-date 2001	Year-to-date 2000	% Change		2000 4Q	2001 1Q	2001 2Q	2001 3Q	2001 4Q
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
			Revenues (1):					
90	52	73%	Net investment income	22	19	24	19	28
1,182	1,292	-9%	Commissions, investment management fees, and other income	317	310	286	273	313
1,272	1,344	-5%	Total revenues	339	329	310	292	341
			Benefits and Expenses:					
15	5	200%	Interest expense	5	4	4	3	4
292	324	-10%	Securities operations non-interest expenses	88	73	85	70	64
746	739	1%	General and administrative expenses	206	174	189	174	209
1,053	1,068	-1%	Total benefits and expenses	299	251	278	247	277
219	276	-21%	Adjusted operating income before income taxes	40	78	32	45	64
			Analysis of revenues by source:					
			Investment Management and Advisory Services segment:					
210	244	-14%	Retail customers	58	53	54	52	51
383	409	-6%	Institutional customers	112	97	104	93	89
242	221	10%	General account	57	55	51	59	77
835	874	-4%	Subtotal	227	205	209	204	217
437	470	-7%	Other Asset Management segment revenues	112	124	101	88	124
1,272	1,344	-5%	Total revenues	339	329	310	292	341

			Analysis of commissions, investment management fees and other revenues by type:					
			Investment Management and Advisory Services segment:					
741	794	-7%	Asset-based fees	196	183	188	186	184
52	59	-12%	Transaction-based and other revenues	21	14	10	12	16
793	853	-7%	Subtotal	217	197	198	198	200
389	439	-11%	Other Asset Management	100	113	88	75	113
1,182	1,292	-9%	Total	317	310	286	273	313

</TABLE>

(1) Revenues exclude realized investment gains, net of losses.

COMBINING STATEMENTS OF OPERATIONS - ASSET MANAGEMENT DIVISION
(in millions)

<TABLE>
<CAPTION>

	Twelve Months Ended December 31, 2001		
	Total Asset Management	Investment Management & Advisory Services	Other Asset Management
<S>	<C>	<C>	<C>
Revenues (1):			
Net investment income	90	42	48
Commissions, investment management fees, and other income	1,182	793	389
Total revenues	1,272	835	437
Benefits and Expenses:			
Interest expense	15	15	-
Securities operations non-interest expenses	292	-	292
General and administrative expenses	746	715	31
Total benefits and expenses	1,053	730	323
Adjusted operating income before income taxes	219	105	114

<CAPTION>

	Twelve Months Ended December 31, 2000		
	Total Asset Management	Investment Management & Advisory Services	Other Asset Management

-
<S>	<C>	<C>	<C>
Revenues (1):			
Net investment income	52	21	31
Commissions, investment management fees, and other income	1,292	853	439
Total revenues	1,344	874	470
Benefits and Expenses:			
Interest expense	5	5	-
Securities operations non-interest expenses	324	-	324
General and administrative expenses	739	715	24
Total benefits and expenses	1,068	720	348
Adjusted operating income before income taxes	276	154	122

<CAPTION>

	Quarter Ended December 31, 2001		
	Total Asset Management	Investment Management & Advisory Services	Other Asset Management
<S>	<C>	<C>	<C>
Revenues (1):			
Net investment income	28	17	11
Commissions, investment management fees, and other income	313	200	113
Total revenues	341	217	124
Benefits and Expenses:			
Interest expense	4	4	-
Securities operations non-interest expenses	64	-	64
General and administrative expenses	209	199	10
Total benefits and expenses	277	203	74
Adjusted operating income before income taxes	64	14	50

<CAPTION>

	Quarter Ended December 31, 2000		
	Total Asset Management	Investment Management & Advisory Services	Other Asset Management
<S>	<C>	<C>	<C>
Revenues (1):			
Net investment income	22	10	12
Commissions, investment management fees, and other income	317	217	100
Total revenues	339	227	112
Benefits and Expenses:			
Interest expense	5	5	-
Securities operations non-interest expenses	88	-	88
General and administrative expenses	206	196	10
Total benefits and expenses	299	201	98
Adjusted operating income before income taxes	40	26	14

</TABLE>

(1) Revenues exclude realized investment gains, net of losses.

ASSETS UNDER MANAGEMENT - INVESTMENT MANAGEMENT AND ADVISORY SERVICES SEGMENT
(in billions)

<TABLE>
<CAPTION>

December 31, 2001	Equity	Fixed Income	Real Estate	Total
Retail customers	44.2	52.3	-	96.5
Institutional customers	39.6	39.5	10.0	89.1
General account	1.9	110.5	1.4	113.8
Total	85.7	202.3	11.4	299.4

December 31, 2000	Equity	Fixed Income	Real Estate	Total
Retail customers	58.7	48.7	-	107.4
Institutional customers	46.4	38.7	10.0	95.1
General account	2.2	105.6	2.2	110.0
Total	107.3	193.0	12.2	312.5

</TABLE>

<TABLE>
<CAPTION>

Year-to-date 2001	Year-to-date 2000		2000 4Q	2001 1Q	2001 2Q	2001 3Q	2001 4Q
		Institutional Assets Under Management:					
		Assets gathered by Asset Management division sales force:					
74.5	76.0	Beginning assets under management	77.4	74.5	70.5	70.4	65.3
13.7	18.5	Additions to managed portfolio	4.8	3.9	3.2	2.4	4.2
(17.7)	(17.2)	Withdrawals	(4.6)	(3.0)	(5.0)	(4.2)	(5.5)
(2.6)	(2.8)	Change in market value	(3.1)	(4.9)	1.7	(3.3)	3.9

67.9	74.5	Ending assets under management	74.5	70.5	70.4	65.3	67.9
21.2	20.6	Other institutional assets under management	20.6	19.0	20.3	19.6	21.2
89.1	95.1	Total assets managed for institutional customers at end of period	95.1	89.5	90.7	84.9	89.1

</TABLE>

CONSOLIDATED INVESTMENT PORTFOLIO COMPOSITION
(in millions)

<TABLE>
<CAPTION>

	December 31, 2001		December 31, 2000	
	Amount	% of Total	Amount	% of Total
<S>	<C>	<C>	<C>	<C>
General Account (1):				
Fixed maturities:				
Public available for sale, at fair value	77,807	51.8%	62,454	47.6%
Public held to maturity, at amortized cost	318	0.2%	757	0.6%
Private available for sale, at fair value	32,040	21.3%	21,294	16.2%
Private held to maturity, at amortized cost	53	0.0%	11,686	8.9%
Trading account assets, at fair value	112	0.1%	3	0.0%
Equity securities, at fair value	2,259	1.5%	2,315	1.8%
Commercial loans	19,176	12.8%	15,418	11.8%
Other long-term investments (2)	5,095	3.4%	4,259	3.2%
Policy loans, at outstanding balance	8,570	5.7%	8,046	6.1%
Short term investments, at amortized cost	4,854	3.2%	4,963	3.8%
Total general account investments	150,284	100.0%	131,195	100.0%
Invested assets of other entities and operations (3)	15,550		17,320	
Consolidated invested assets	165,834		148,515	
Invested assets of Closed Block Business (4)	56,474		62,273	
Invested assets of Financial Services Businesses	109,360		86,242	

</TABLE>

Fixed Maturities by Credit Quality(1):

<TABLE>
<CAPTION>

	December 31, 2001		
	Amortized Cost	% of Total	Estimated Fair Value

<S> <C> <C> <C>

		Amortized Cost	% of Total	Estimated Fair Value
Public Fixed Maturities:				
NAIC Rating	Rating Agency Equivalent			
1	Aaa, Aa, A	54,220	70.8%	55,495
2	Baa	17,543	22.9%	17,832
3	Ba	2,893	3.8%	2,937
4	B	1,436	1.9%	1,385
5	C and lower	234	0.3%	238
6	In or near default	258	0.3%	254
	Total	76,584	100.0%	78,141
Private Fixed Maturities:				
NAIC Rating	Rating Agency Equivalent			
1	Aaa, Aa, A	10,073	32.3%	10,568
2	Baa	15,691	50.4%	16,150
3	Ba	2,906	9.3%	2,944
4	B	1,591	5.1%	1,525
5	C and lower	734	2.4%	739
6	In or near default	162	0.5%	172
	Total	31,157	100.0%	32,098

<CAPTION>

<S> <C> <C> <C>

		December 31, 2000		
		Amortized Cost	% of Total	Estimated Fair Value
Public Fixed Maturities:				
NAIC Rating	Rating Agency Equivalent			
1	Aaa, Aa, A	42,311	67.6%	43,208
2	Baa	15,346	24.5%	15,273
3	Ba	2,427	3.9%	2,401
4	B	2,125	3.4%	2,004
5	C and lower	369	0.6%	331
6	In or near default	12	0.0%	11
	Total	62,590	100.0%	63,228
Private Fixed Maturities:				
NAIC Rating	Rating Agency Equivalent			
1	Aaa, Aa, A	11,379	34.6%	11,631
2	Baa	16,122	49.0%	16,253
3	Ba	2,897	8.8%	2,843
4	B	1,893	5.8%	1,792
5	C and lower	405	1.2%	382
6	In or near default	192	0.6%	228
	Total	32,888	100.0%	33,129

</TABLE>

(1) Excludes investments of securities brokerage, commercial and mortgage banking operations, assets of our asset management operations managed for third parties, and separate account assets for which the customer assumes risks of ownership. Invested assets as of December 31, 2001 include investments of Gibraltar Life acquired in April 2001.

(2) Other long-term investments consist of real estate related interests, largely through joint ventures and partnerships, oil and gas investments, venture capital and private equity funds, and investment real estate held through direct ownership.

(3) Includes invested assets of securities brokerage, commercial and mortgage banking operations. Excludes assets of our asset management operations managed for third parties, and separate account assets for which the customer assumes risks of ownership.

(4) Represents Traditional Participating Products segment at December 31, 2000.

Prudential Financial, Inc.
Quarterly Financial Supplement
Fourth Quarter 2001 Prudential [LOGO] Financial

INVESTMENT PORTFOLIO COMPOSITION - JAPANESE INSURANCE OPERATIONS
(in millions)

	December 31, 2001		December 31, 2000	
	Amount	% of Total	Amount	% of Total
General Account (1):				
Fixed maturities:				
Public available for sale, at fair value	20,883	73.8%	2,418	62.3%
Public held to maturity, at amortized cost	318	1.1%	752	19.4%
Private available for sale, at fair value	98	0.4%	-	0.0%
Private held to maturity, at amortized cost	53	0.2%	75	1.9%
Trading account assets, at fair value	74	0.3%	-	0.0%
Equity securities, at fair value	1,032	3.6%	165	4.3%
Commercial loans	4,255	15.0%	-	0.0%
Other long-term investments (2)	1,001	3.5%	196	5.1%
Policy loans, at outstanding balance	605	2.1%	190	4.9%
Short term investments, at amortized cost	2	0.0%	83	2.1%
Total general account investments	28,321	100.0%	3,879	100.0%

INVESTMENT PORTFOLIO COMPOSITION - EXCLUDING JAPANESE INSURANCE OPERATIONS
(in millions)

	December 31, 2001		December 31, 2000	
	Amount	% of Total	Amount	% of Total
General Account (1):				
Fixed maturities:				
Public available for sale, at fair value	56,924	46.7%	60,036	47.2%
Public held to maturity, at amortized cost	-	0.0%	5	0.0%
Private available for sale, at fair value	31,942	26.2%	21,294	16.7%
Private held to maturity, at amortized cost	-	0.0%	11,611	9.1%
Trading account assets, at fair value	38	0.0%	3	0.0%
Equity securities, at fair value	1,227	1.0%	2,150	1.7%
Commercial loans	14,921	12.2%	15,418	

				12.1%
Other long-term investments (2)	4,094	3.4%	4,063	3.2%
Policy loans, at outstanding balance	7,965	6.5%	7,856	6.2%
Short term investments, at amortized cost	4,852	4.0%	4,880	3.8%
Total general account investments	121,963	100.0%	127,316	100.0%

</TABLE>

(1) Excludes investments of securities brokerage, commercial and mortgage banking operations, assets of our asset management operations managed for third parties, and separate account assets for which the customer assumes risks of ownership.

(2) Other long-term investments consist of real estate related interests, largely through joint ventures and partnerships, oil and gas investments, venture capital and private equity funds, and investment real estate held through direct ownership.

CONSOLIDATED INVESTMENT RESULTS
(in millions)

<TABLE>
<CAPTION>

	Quarter Ended December 31					
	2001			2000		
	Investment Income		Realized Gains / (Losses)	Investment Income		Realized Gains / (Losses)
	Yield(4)	Amount		Yield(4)	Amount	
<S>	<C>	<C>	<C>	<C>	<C>	<C>
General Account (1):						
Fixed maturities	6.08%	1,641	(276)	7.24%	1,713	(220)
Equity securities	1.66%	11	(117)	2.30%	14	68
Commercial loans	7.22%	356	(25)	8.09%	314	(8)
Policy loans	6.37%	137	-	6.23%	123	-
Short-term investments and cash equivalents	2.03%	95	-	10.64%	270	3
Other investments	6.96%	88	(20)	12.31%	138	20
Gross investment income before investment expenses	5.72%	2,328	(438)	7.61%	2,572	(137)
Investment expenses	-0.36%	(145)	-	-0.74%	(250)	-
Total for General Account	5.36%	2,183	(438)	6.87%	2,322	(137)
Investment results of other entities and operations (2)		73	3		118	-
Less amount relating to discontinued operations and divested business		(8)	-		(14)	-

	Amount	Realized Gains / (Losses)		Amount	Realized Gains / (Losses)
Consolidated amount	2,248	(435)		2,426	(137)
Closed Block Business (3)	946	(270)		1,110	26
Financial Services Businesses	1,302	(165)		1,316	(163)

<CAPTION>

	Twelve Months Ended December 31					
	2001			2000		
	Investment Income		Realized Gains / (Losses)	Investment Income		Realized Gains / (Losses)
	Yield(4)	Amount		Yield(4)	Amount	
<S>	<C>	<C>	<C>	<C>	<C>	<C>
General Account (1):						
Fixed maturities	6.37%	6,833	(640)	7.54%	6,958	(1,066)
Equity securities	1.30%	45	(237)	2.42%	67	450
Commercial loans	7.27%	1,395	1	8.23%	1,255	(5)
Policy loans	6.22%	522	-	6.34%	478	-
Short-term investments and cash equivalents	2.98%	453	(3)	7.58%	683	8
Other investments	6.96%	328	174	9.54%	420	325
Gross investment income before investment expenses	6.06%	9,576	(705)	7.54%	9,861	(288)
Investment expenses	-0.48%	(741)	-	-0.69%	(871)	-
Total for General Account	5.58%	8,835	(705)	6.85%	8,990	(288)
Investment results of other entities and operations (2)		316	-		507	-
Less amount relating to discontinued operations and divested business		(15)	-		(101)	-
Consolidated amount		9,136	(705)		9,396	(288)
Closed Block Business (3)		3,897	(543)		4,172	91
Financial Services Businesses		5,239	(162)		5,224	(379)

</TABLE>

(1) Excludes investments of securities brokerage, commercial and mortgage banking operations, assets of our asset management operations managed for third parties, and separate account assets for which the customer assumes risks of ownership.

(2) Investment income of securities brokerage, and mortgage and commercial banking operations.

(3) Represents Traditional Participating Products segment for periods prior to effective date of demutualization.

(4) Yields are annualized and based on quarterly average carrying values except for fixed maturities, equity securities and mortgage loans. Yields for fixed maturities are based on amortized cost. Yields for equity securities are based on cost. Yields for commercial loans are calculated gross of any allowance for losses on commercial loans. Reflects Gibraltar Life investments from acquisition in April 2001.

INVESTMENT RESULTS - JAPANESE INSURANCE OPERATIONS
(in millions)

<TABLE>
<CAPTION>

	Quarter Ended December 31					
	2001			2000		
	Investment Income		Realized Gains / (Losses)	Investment Income		Realized Gains / (Losses)
	Yield(2)	Amount		Yield(2)	Amount	
<S>	<C>	<C>	<C>	<C>	<C>	<C>
General Account (1):						
Fixed maturities	1.76%	95	66	2.58%	21	(15)
Equity securities	1.02%	3	(23)	0.89%	-	(14)
Commercial loans	3.85%	45	(2)	0.00%	-	-
Policy loans	1.67%	3	-	4.78%	2	-
Short-term investments and cash equivalents	0.08%	1	(2)	0.21%	-	-
Other investments	-0.32%	(1)	(145)	5.29%	2	(6)
Gross investment income before investment expenses	1.75%	146	(106)	2.68%	25	(35)
Investment expenses	-0.11%	(9)	-	-0.04%	(1)	-
Total for General Account	1.64%	137	(106)	2.64%	24	(35)

<CAPTION>

	Twelve Months Ended December 31					
	2001			2000		
	Investment Income		Realized Gains / (Losses)	Investment Income		Realized Gains / (Losses)
	Yield(2)	Amount		Yield(2)	Amount	
<S>	<C>	<C>	<C>	<C>	<C>	<C>
General Account (1):						

Fixed maturities	1.38%	243	46	2.70%	82	4
Equity securities	0.41%	6	(120)	2.02%	3	(14)
Commercial loans	4.17%	162	9	0.00%	-	-
Policy loans	1.38%	9	-	5.43%	9	-
Short-term investments and cash equivalents	0.08%	2	(1)	0.16%	-	-
Other investments	1.56%	13	(18)	5.48%	7	(6)
Gross investment income before investment expenses	1.62%	435	(84)	2.85%	101	(16)
Investment expenses	-0.10%	(25)	-	-0.05%	(2)	-
Total for General Account	1.52%	410	(84)	2.80%	99	(16)

</TABLE>

(1) Excludes investments of securities brokerage, commercial and mortgage banking operations, assets of our asset management operations managed for third parties, and separate account assets for which the customer assumes risks of ownership.

(2) Yields are annualized and based on quarterly average carrying values except for fixed maturities, equity securities and mortgage loans. Yields for fixed maturities are based on amortized cost. Yields for equity securities are based on cost. Yields for commercial loans are calculated gross of any allowance for losses on commercial loans. Reflects Gibraltar Life investments from acquisition in April 2001.

INVESTMENT RESULTS - EXCLUDING JAPANESE INSURANCE OPERATIONS
(in millions)

<TABLE>
<CAPTION>

	Quarter Ended December 31					
	2001			2000		
	Investment Income		Realized Gains / (Losses)	Investment Income		Realized Gains / (Losses)
	Yield(2)	Amount		Yield(2)	Amount	
<S>	<C>	<C>	<C>	<C>	<C>	<C>
General Account (1):						
Fixed maturities	7.16%	1,546	(342)	7.41%	1,692	(205)
Equity securities	2.17%	8	(94)	2.41%	14	82
Commercial loans	8.28%	311	(23)	8.09%	314	(8)
Policy loans	6.73%	134	-	6.26%	121	-
Short-term investments and cash equivalents	2.57%	94	2	10.72%	270	3
Other investments	9.04%	89	125	12.60%	136	26
Gross investment income before investment expenses	6.74%	2,182	(332)	7.76%	2,547	

(102)

Investment expenses	-0.42%	(136)	-	-0.77%	(249)	-
Total for General Account	6.32%	2,046	(332)	6.99%	2,298	(102)

<CAPTION>

	Twelve Months Ended December 31					
	2001			2000		
	Investment Income		Realized Gains / (Losses)	Investment Income		Realized Gains / (Losses)
	Yield(2)	Amount		Yield(2)	Amount	
General Account (1):						
Fixed maturities	7.59%	6,590	(686)	7.71%	6,876	(1,070)
Equity securities	2.12%	39	(117)	2.59%	64	464
Commercial loans	8.36%	1,233	(8)	8.23%	1,255	(5)
Policy loans	6.61%	513	-	6.37%	469	-
Short-term investments and cash equivalents	3.94%	451	(2)	7.64%	683	8
Other investments	8.35%	315	192	9.66%	413	331
Gross investment income before investment expenses	7.24%	9,141	(621)	7.68%	9,760	(272)
Investment expenses	-0.59%	(716)	-	-0.71%	(869)	-
Total for General Account	6.65%	8,425	(621)	6.97%	8,891	(272)

</TABLE>

(1) Excludes investments of securities brokerage, commercial and mortgage banking operations, assets of our asset management operations managed for third parties, and separate account assets for which the customer assumes risks of ownership.

(2) Yields are annualized and based on quarterly average carrying values except for fixed maturities, equity securities and mortgage loans. Yields for fixed maturities are based on amortized cost. Yields for equity securities are based on cost. Yields for commercial loans are calculated gross of any allowance for losses on commercial loans.

RECLASSIFIED STATEMENTS OF OPERATIONS - U.S. CONSUMER DIVISION
(in millions)

<TABLE>
<CAPTION>

Year ended December 31		2000				2001
1998	1999	1Q	2Q	3Q	4Q	1Q

								2Q	3Q
		Revenues (1):							
1,843	1,843	Premiums	453	512	493	483	545	575	561
1,281	1,293	Policy charges and fee income	328	324	329	326	315	321	305
1,345	1,273	Net investment income	358	334	327	325	333	303	304
2,882	3,154	Commissions, investment management fees, and other income	981	860	797	796	755	713	689
7,351	7,563	Total revenues	2,120	2,030	1,946	1,930	1,948	1,912	1,859
		Benefits and Expenses (1):							
1,715	1,733	Insurance and annuity benefits	437	441	455	505	456	527	555
411	397	Interest credited to policyholder account balances	96	99	99	101	103	99	96
7	9	Interest expense	-	1	1	9	2	3	2
(1,025)	(896)	Deferral of acquisition costs	(206)	(229)	(221)	(211)	(219)	(216)	(202)
705	765	Amortization of acquisition costs	155	191	190	213	222	193	230
2,124	2,269	Securities operations non-interest expenses	652	590	602	641	603	645	577
2,562	2,619	General and administrative expenses	633	654	654	734	587	579	554
6,499	6,896	Total benefits and expenses	1,767	1,747	1,780	1,992	1,754	1,830	1,812
852	667	Adjusted operating income before income taxes	353	283	166	(62)	194	82	47

</TABLE>

(1) Revenues exclude realized investment gains, net of losses. Benefits and expenses exclude charges related to realized investment gains net of losses.

RECLASSIFIED STATEMENTS OF OPERATIONS - INDIVIDUAL LIFE INSURANCE
(in millions)

<TABLE>
<CAPTION>

Year ended December 31			2000				2001		
1998	1999		1Q	2Q	3Q	4Q	1Q	2Q	3Q
		Revenues (1):							
203	242	Premiums	65	81	54	70	87	96	71
1,056	1,030	Policy charges and fee income	254	253	258	258	251	256	248

300	316	Net investment income	97	97	93	87	99	97	95
95	115	Commissions, investment management fees, and other income	45	32	33	51	30	29	35
1,654	1,703	Total revenues	461	463	438	466	467	478	449
		Benefits and Expenses (1):							
520	515	Insurance and annuity benefits	157	145	159	179	157	173	166
117	126	Interest credited to policyholder account balances	32	33	33	33	35	34	33
4	4	Interest expense	-	-	-	10	-	1	-
(375)	(292)	Deferral of acquisition costs	(67)	(65)	(70)	(75)	(76)	(77)	(74)
185	185	Amortization of acquisition costs	45	50	39	38	62	55	60
-	-	Securities operations non-interest expenses	-	-	-	-	-	-	-
1,025	1,048	General and administrative expenses	241	219	266	312	210	205	188
1,476	1,586	Total benefits and expenses	408	382	427	497	388	391	373
178	117	Adjusted operating income before income taxes	53	81	11	(31)	79	87	76

</TABLE>

(1) Revenues exclude realized investment gains, net of losses. Benefits and expenses exclude charges related to realized investment gains net of losses.

RECLASSIFIED STATEMENTS OF OPERATIONS - PRIVATE CLIENT GROUP
(in millions)

<TABLE>
<CAPTION>

Year ended December 31			2000				2001		
1998	1999		1Q	2Q	3Q	4Q	1Q	2Q	3Q
		Revenues (1):							
-	-	Premiums	-	-	-	-	-	-	-
-	-	Policy charges and fee income	-	-	-	-	-	-	-
255	269	Net investment income	82	77	73	67	70	57	62
2,098	2,293	Commissions, investment management fees, and other income	734	623	563	548	536	499	467
2,353	2,562	Total revenues	816	700	636	615	606	556	529
		Benefits and Expenses (1):							
-	-	Insurance and annuity benefits	-	-	-	-	-		

-	-	Interest credited to policyholder account balances	-	-	-	-	-	-	-
-	-	Interest expense	-	-	-	-	-	-	-
-	-	Deferral of acquisition costs	-	-	-	-	-	-	-
-	-	Amortization of acquisition costs	-	-	-	-	-	-	-
2,124	2,269	Securities operations non-interest expenses	652	590	602	641	603	645	577
115	69	General and administrative expenses	15	9	6	15	9	9	8
2,239	2,338	Total benefits and expenses	667	599	608	656	612	654	585
114	224	Adjusted operating income before income taxes	149	101	28	(41)	(6)	(98)	(56)
		Non-Interest Revenues:							
1,489	1,554	Commissions	524	359	351	327	320	296	252
462	571	Fees	172	189	189	198	182	168	178
147	168	Other non-interest revenues	38	75	23	23	34	35	37
2,098	2,293	Total non-interest revenues	734	623	563	548	536	499	467

</TABLE>

(1) Revenues exclude realized investment gains, net of losses. Benefits and expenses exclude charges related to realized investment gains net of losses.

RECLASSIFIED STATEMENTS OF OPERATIONS - GIBRALTAR LIFE
(in millions)

<TABLE>
<CAPTION>

Year ended December 31			2000				2001		
1998	1999		1Q	2Q	3Q	4Q	1Q	2Q	3Q
<S>	<C>		<C>	<C>	<C>	<C>	<C>	<C>	<C>
		Revenues (1):							
-	-	Premiums	-	-	-	-	-	378	562
-	-	Policy charges and fee income	-	-	-	-	-	89	77
-	-	Net investment income	-	-	-	-	-	80	117
-	-	Commissions, investment management fees, and other income	-	-	-	-	-	1	1
-	-	Total revenues	-	-	-	-	-	548	757

Benefits and Expenses (1):

-	-	Insurance and annuity benefits	-	-	-	-	-	365	449
-	-	Interest credited to policyholder account balances	-	-	-	-	-	17	27
-	-	Interest expense	-	-	-	-	-	-	1
-	-	Deferral of acquisition costs	-	-	-	-	-	(24)	(20)
-	-	Amortization of acquisition costs	-	-	-	-	-	-	3
-	-	Securities operations non-interest expenses	-	-	-	-	-	-	-
-	-	General and administrative expenses	-	-	-	-	-	131	171
-	-	Total benefits and expenses	-	-	-	-	-	489	631
-	-	Adjusted operating income before income taxes	-	-	-	-	-	59	126

</TABLE>

(1) Revenues exclude realized investment gains, net of losses. Benefits and expenses exclude charges related to realized investment gains net of losses.

RECLASSIFIED STATEMENTS OF OPERATIONS - CORPORATE AND OTHER OPERATIONS
(in millions)

<TABLE>
<CAPTION>

Year ended December 31			2000				2001		
1998	1999		1Q	2Q	3Q	4Q	1Q	2Q	3Q
		Revenues (1):							
17	11	Premiums	-	-	1	14	2	-	10
(5)	(4)	Policy charges and fee income	(2)	(3)	(2)	(3)	-	(4)	(1)
894	926	Net investment income	164	212	237	203	190	208	124
(629)	(424)	Commissions, investment management fees, and other income	(144)	(153)	(153)	(166)	(194)	(75)	(198)
277	509	Total revenues	18	56	83	48	(2)	129	(65)
		Benefits and Expenses (1):							
25	85	Insurance and annuity benefits	1	8	9	9	7	9	11
-	-	Interest credited to policyholder account balances	(5)	2	-	-	(1)	1	1
446	420	Interest expense	65	107	118	95	98	87	60
94	79	Deferral of acquisition costs	33	30	20	22	26	23	17
(50)	(32)	Amortization of acquisition costs	(21)	(22)	(18)	(23)	(21)	(20)	(21)
53	46	Securities operations non-interest expenses	23	14	9	13	14	14	(1)
(257)	(226)	General and administrative expenses	(137)	(126)	(30)	13	(124)		

									(60)	(113)
311	372	Total benefits and expenses	(41)	13	108	129	(1)	54	(46)	
(34)	137	Adjusted operating income before income taxes	59	43	(25)	(81)	(1)	75	(19)	

</TABLE>

(1) Revenues exclude realized investment gains, net of losses, and revenues of divested businesses. Benefits and expenses exclude charges related to realized investment gains net of losses, benefits and expenses of divested businesses, sales practices remedies and costs, and demutualization costs and expenses.

KEY DEFINITIONS AND FORMULAS

1. Attributed Equity:

Amount of capital assigned to each of the Company's segments for purposes of measuring segment adjusted operating income before income taxes, established at a level which management considers necessary to support the segment's risks. Attributed equity for the Financial Services Businesses represents all of the Company's equity that is not included in the Closed Block Business.

2. Adjusted operating income before income taxes:

Adjusted operating income is a non-GAAP measure which excludes realized investment gains, net of losses and related charges; sales practices remedies and costs; results of divested businesses; and demutualization costs and expenses. Revenues and benefits and expenses shown as components of adjusted operating income, and for the Divisions of the Financial Services Businesses, are presented on the same basis as pre-tax adjusted operating income and exclude these items as well. Adjusted operating income should not be viewed as a substitute for net income determined in accordance with GAAP and our definition of adjusted operating income may differ from that used by other companies. The excluded items are important to an understanding of our overall results of operations. However, we believe that the presentation of adjusted operating income as we measure it for management purposes enhances the understanding of our results of operations by highlighting the results from ongoing operations and the underlying profitability factors of our business.

3. After-tax adjusted operating income:

Adjusted operating income before taxes, as defined above, less the income tax effect applicable to adjusted operating income before taxes.

4. Assets Under Management:

Fair market value or account value of assets which Prudential manages directly in proprietary products, such as mutual funds and variable annuities, in separate accounts, wrap-fee products and the general account, and assets invested in investment options included in the Company's products that are managed by third party sub-managers (i.e., the non-proprietary investment options in the Company's products).

5. Book value per share of Common Stock:

Equity attributed to Financial Services Businesses divided by number of Common shares outstanding at end of period, on a diluted basis.

6. Borrowings - General Corporate Purposes:

Amounts used for corporate purposes including uses for cash flow timing mismatches, and investments in equity and debt securities of subsidiaries including amounts needed for regulatory capital purposes.

7. Borrowings - Investment Related:

Debt issued to finance specific investment assets or portfolios of investment assets, including real estate, real estate related assets held in consolidated joint ventures, and institutional spread lending portfolios.

8. Borrowings - Securities Business Related:

Debt issued to finance primarily the liquidity of our broker-dealers, and our capital markets and other securities business related operations.

9. Borrowings - Specified Other Businesses:

Borrowings associated with consumer banking activities, real estate franchises, and relocation services.

10. Client Assets:

Fair market value of assets in client accounts of Prudential Securities and Prudential Bank, and trust client accounts, that are not included in Assets Under Management. Prudential does not receive a management or administrative fee on these assets, but may receive a fee for executing trades, custody or recordkeeping services.

11. Earned Premiums:

The portion of a premium, net of any amount ceded, that represents coverage already provided or that belongs to the insurer based on the part of the policy period that has passed.

12. Financial Advisors (Domestic and International):

Financial advisors and securities brokers in our securities operations.

13. Financial Advisor Productivity (Domestic):

Private Client Group total non-interest revenues, excluding revenues generated by the consumer bank and by the segment's retail trading operation divided by the average number of domestic Financial Advisors for the period. For interim reporting periods, the productivity measures are annualized.

14. General Account:

Invested assets and policyholder liabilities and reserves for which the Company bears the investment risk. Excludes assets recognized for statutory purposes that are specifically allocated to a separate account. General account assets also include assets of the parent company, Prudential Financial, Inc.

15. Gibraltar Life Advisors:

Insurance representatives for Gibraltar Life.

KEY DEFINITIONS AND FORMULAS

16. Group Life Insurance and Group Disability Insurance Administrative Operating Expense Ratios:

Ratio of administrative operating expenses (excluding commissions) to gross premiums, policy charges and fee income.

17. Group Life Insurance and Group Disability Insurance Benefits Ratios:

Ratio of policyholder benefits to earned premiums, policy charges and fee income.

18. Insurance and Annuity Benefits

Total death benefits, annuity benefits, disability benefits, other policy benefits, losses and loss adjustment expenses paid or incurred, under insurance and annuity contracts, plus the change in reserves for future policy benefits, losses and loss adjustment expenses.

19. International Life Planners:

Insurance agents in our insurance operations outside the United States, excluding Gibraltar Life Advisors.

20. New annualized premiums:

Premiums from new sales that are expected to be collected over a one year period; does not include excess premiums, which are premiums that build cash value but do not purchase face amounts of insurance in force.

21. Non-recourse and Limited-recourse Debt:
- ---
Limited and non-recourse borrowing is where the holder is entitled to collect only against the assets pledged to the debt as collateral or has only very limited rights to collect against other assets.

22. Policy Persistency - Group Insurance:
- ---
Percentage of prior year premiums that remain in force in the current period (excluding Serviceman's Group Life Insurance and Prudential Employee Benefit Plan.

23. Policy Persistency - International Insurance:
- ---
13 month persistency represents the percentage of policies issued that are still in force at the beginning of their second policy year. 25 month persistency represents the percentage of policies issued that are still in force at the beginning of their third policy year.

24. Prudential Agents:
- ----------------------
Insurance agents in our insurance operations in the United States.

25. Prudential Agent productivity:
- ----------------------------------
Commissions on new sales of all products by Prudential Agents under contract for the entire period, divided by the number of those Prudential Agents. Excludes commissions on new sales by Prudential Agents hired or departed during the period. For interim reporting periods, the productivity measures are annualized.

26. Ratio of corporate debt to total capitalization:
- --
For purposes of this ratio, we measure "debt" as the sum of borrowings for general corporate purposes and 20% of the stated aggregate liquidation amount of the Equity Security Units, and we measure "total capitalization" as the sum of equity excluding unrealized gains and losses on available-for-sale securities, corporate debt and the stated aggregate liquidation amount of the Equity Security Units. The ratio is calculated by dividing debt by total capitalization.

27. Redeemable Capital Securities:
- ----------------------------------
Capital Trust Certificates of Prudential Financial Capital Trust I (element of Equity Security Units).

28. Separate Accounts:
- ----------------------
Assets of our insurance companies allocated under certain policies and contracts that are segregated from the general account and other separate accounts. The policyholder or contractholder predominantly bears the risk of investments held in a separate account.

29. Wrap-Fee Products:
- ----------------------
Investment products generating asset-based fees in which the funds of the customer are generally invested in other investment products such as mutual funds.

RATINGS AND INVESTOR INFORMATION

INSURANCE CLAIMS PAYING RATINGS
(as of February 12, 2002)

<TABLE>
<CAPTION>

	A.M. Best	Standard & Poor's	Moody's	Fitch
The Prudential Insurance Company of America	A	A+	A1	AA-
PRUCO Life Insurance Company	A	A+	A1	

NR*

PRUCO Life Insurance Company of New Jersey	A	A+	A1	NR
Prudential Property and Casualty Insurance Company	A-	A	A1	NR
The Prudential Property & Casualty Insurance Company of New Jersey	A-	NR	A1	NR
The Prudential Life Insurance Co., Ltd. (Prudential of Japan)	NR	AA-	NR	NR
Gibraltar Life Insurance Company, Ltd.	NR	A	A2	NR
CREDIT RATINGS: (as of February 12, 2002)				
Prudential Financial, Inc.:				
Short-Term Borrowings	AMB-1	A2	P2	F1
Long-Term Senior Debt	A-	A-	A3	A
Redeemable Capital Securities	A-	A-	A3	A
The Prudential Insurance Company of America :				
Capital and surplus notes, due 2001-2005	A-	A-	A3	NR
Prudential Funding, LLC:				
Commercial Paper	AMB-1	A1	P1	NR
Long-Term Senior Debt	A	A+	A2	NR
Prudential Securities Group, Inc	NR	BBB	NR	NR

</TABLE>

*NR indicates not rated.

INVESTOR INFORMATION:

Corporate Offices:

Prudential Financial, Inc.
751 Broad Street
Newark, New Jersey 07102

Investor Information Hotline:

Dial 877-998-ROCK for additional printed information or inquires.

Web Site:
www.prudential.com

Publicly Traded Securities:

Common Stock of Prudential Financial, Inc. is traded on the New York Stock Exchange under the symbol PRU.

Equity Security Units of Prudential Financial, Inc. are traded on the New York Stock Exchange under the symbol PFA.